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# Leadership as it Relates to Employee Performance

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LEADERSHIP AS IT RELATES TO EMPLOYEE PERFORMANCE

SHANE HORIHAN

Submitted in partial fulfillment of  
the requirements for the degree of  
Master of Arts in Leadership

AUGSBURG COLLEGE  
MINNEAPOLIS, MINNESOTA

2008



MASTER OF ARTS IN LEADERSHIP  
AUGSBURG COLLEGE  
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CERTIFICATE OF APPROVAL

This is to certify that the Non-Thesis Project of

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## ABSTRACT

## LEADERSHIP AS IT RELATES TO EMPLOYEE PERFORMANCE

SHANE HORIHAN

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What employee issues impact performance? How should leaders attempt to impact these issues? Gallup's human sigma model provides the primary theoretical framework for this exploration. The quantitative data used for discovery include: the Gallup Q12® employee engagement survey from 33 retail-banking stores and 522 employees, the individual store performance measurements, and the Gallup customer engagement survey CE11®. Data for both surveys were gathered during the third quarter of 2006.

The results show the Q12 issues with high, positive correlations (those with a .425 or above Pearson Correlation) as they relate to performance measurements, such as daily average number of products sold, and the issues with high correlation are as follows: knowing expectations, opportunity to learn and grow, mission and purpose of organization, and the opportunity to use strengths in job.

Overall, the research concludes that there are strong correlations between certain employee engagement issues and overall performance.

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## Introduction

Why do some leaders get great performance out of their employees, while others are unable to guide their people to success? Consider the following scenario. Jerry starts his career as a sales professional with an electronics distribution company. Jerry worked in electronics for eight years prior to his start in sales, splitting those years between working on planes for the Navy and passenger aircraft for commercial airlines. When he decided to transfer into sales, he understood the product well, but knew little about what elements were involved in being a “top sales producer.”

The company that hired Jerry believed that since he knew the product, they could teach him the sales piece of the job. The first days as a salesperson were spent in a conference room watching videos by the famed sales guru, Tom Hopkins. Here the new sales professional learned about such question based selling techniques as the “porcupine question” and how to get past the gatekeeper. Learning these skills was helpful and probably a good place for Jerry to start his sales development. It may have even helped him realize that selling is an art that has a lot of skills and components to it.

After the first few weeks of watching videos and learning the informational systems of the company Jerry is sent out to make phone calls and build a customer base. The motto of the sales management team is “it’s a numbers game”; the more calls you make, the more sales you will generate. Jerry diligently practices the skills learned in the videos and tries his best to put them to use, but with little results. The frustration begins early and stays with Jerry for the next four years. For some reason, the skills that the videos tried to establish never came to fruition. The skills developed were never a cohesive package that provided the results that Jerry or the company was looking for.

During a downward business cycle the company laid Jerry off. This is mainly due to the fact that he just wasn't producing. In the whole time Jerry was with the company, he never truly understood how to sell.

This layoff started Jerry's questions of possible career change. Was a sales position right for him? Jerry considers himself to be an introvert who doesn't have a natural inclination to the outgoing persona many of the sales people he knew had. After further consideration, Jerry decides not to give up. Instead, he decides to try sales again. For some reason he feels he could be successful, but just needs the right place to flourish.

That place was with a major financial institution. After being hired as a banker, Jerry went through nine weeks of training. Most of this training centered on a sales process, called the Sales Roadmap, which the company developed. It wasn't centered on product knowledge, but rather understanding a process to reach the overall goal the company has. For the first time, Jerry was able to put those skills he had learned in the videos into a specific process that led them to success. When Jerry got out in the field, he was observed in the sales process and given regular feedback through coaching.

The financial institution Jerry joined sees itself as a strengths-based organization, and this became apparent through the coaching process. The coaching sessions or "one-on-ones," as many call them, are designed to bring out those things Jerry already does naturally. In essence, it helps Jerry utilize the talents he already possesses in order to be effective at uncovering the needs of the customer, and fulfilling them through the products and services the organization offers.

Within six months on the job, Jerry was in the top five percent of all bankers in his region and the top performer for two quarters in a row. What changed? How did he

go from an inept salesperson in one company, to a top performer in another? The answer, I believe, is leadership. In the literature review portion of this paper I will examine selected research in an attempt to uncover the behaviors, issues and leadership styles that might lead us to a better understanding of how leaders help to create an environment that results in great performance among their employees.

Not only does the feedback process allow Jerry to put his skills into a specific step-by-step path that leads to success, but it also helps the leader is to coach and observe the sales professional in the process. This allows the leader to do a couple of very important things. First, it gives the leader a method of uncovering areas of opportunity. By observing the salesperson in the process, the leader is able to pinpoint strengths and weaknesses and coach to bring out and develop the strengths. By doing so, it encourages and energizes the sales professional to self-reflect, take ownership of results and improve through use of their strengths. Second, a leadership style, like coaching, allows a leader to understand the developmental level of the individual and how to approach the individual.

Coaching and democratic leadership styles illustrated in Goleman, Boyatzis, and McKee's (2002) resonant leadership model provides the leader a situational model to penetrate employees' emotional and interpersonal needs in a way that creates a positive working environment. In Blanchard's (2007) situational leadership model, which is often used in corporations, the leader identifies developmental levels and employs a leadership style or pathway based on a particular employee's developmental level. It could be said that the resonant leadership model is a situational model for creating high performance



through emotional resonance, and Blanchard's theory is a situational model for creating high performance through developmental stages.

Instead of a leader noticing only areas of underperformance, through a combination of coaching and democratic leadership styles, the leader is able to recognize strengths and opportunities through observing patterns in the employee's activities in order to assign a developmental level for each task, maximizing those strengths the employee has when it comes to solving the customers' needs. Feedback processes like coaching allow leaders to focus on the area of the sales process that needs the most work and uncover what is standing in an employee's way. This gives the leader an opportunity to assist them in self-reflection and taking ownership of the opportunity, but most importantly to develop and use their strengths for greater overall success.

So, how do we use coaching to our advantage as leaders? What leadership style works best in certain situations? Does it vary given the developmental level of the sales person?

According to Northouse (2001), "Leadership is a process whereby an individual influences a group of individuals to achieve a common goal" (p. 3). That common goal is the company's vision, which is exemplified in Goleman's (2000) theory with what he describes as a visionary leadership style. Just as a sales process allows a pathway for people to achieve their goals, an appropriate leadership style used at the correct time with the correct employee provides a method for leaders to increase performance by raising both the task and emotional intelligence of employees. Situational leadership provides a prescription for the leader to meet the follower where they are and help them along that pathway. Blanchard (2007) says in order "to bring out the best in others, leadership must

match the development level of the person being led.” (p. 88) This is an important element in the leader’s ability to develop individuals effectively. Both of these models attempt to create a situational process for the leader to adapt to employee needs.

The purpose of this research is to discover what issues drive employee performance, uncover leadership styles that impact these driving issues, and ascertain how the styles impact them as well. In order to discover the issues that drive employee performance, I will be using Gallup’s Q12 survey. The foundational research for leadership styles will come from a variety of sources, most of which will be from the resonant leadership model developed by Goleman, Boyatzis, and McKee (2002).

## Literature Review

What causes some employees to perform at a higher level than others, and how can leaders impact performance? The literature on employee performance and performance leadership is extensive. Because of this, I have chosen to focus much of my attention on the literature that has been written on the Gallup Organization's research on performance management (Harter and Creglow, 1999). This research focuses on the critical performance drivers or issues most important to employees, if they are to perform at optimal levels, and the leadership behaviors that affect these drivers. I will start by introducing Q12, the survey used to measure the factors that drive performance. From there, I will introduce Gallup's research on leading from an individual's strengths and how that affects performance.

After concentrating on the performance drivers or issues of the individual employee, I will move into specific leadership behaviors that have been found to impact these performance drivers. The leadership section explains Gallup's strengths-based leadership theory, and the human sigma model. The profitability and productivity criteria of the human sigma model helps define specific employee drivers that directly impact performance in these two areas.

I then examine two other popular leadership theories often used in performance leadership, emotional intelligence and resonant leadership (Goleman, et al., 2002), and situational leadership, based on the research of Paul Hersey and Ken Blanchard and made famous and widely used due to the writings of Ken Blanchard (2007). Within the discussion on emotional intelligence and resonant leadership, and strengths-based leadership, I also incorporate some of the related work of Peter Drucker (1999).

*The Gallup Research**Q12®*

Gallup's research is based on the idea that a company's most valuable asset is its people. Gallup's research proved that the ability a manager has for understanding his or her people's strengths and needs is a better determinant of a group's performance than technical skills alone. Gallup researchers wanted to find out what great managers do to get high performance from their people.

Gallup's research spans a twenty-five year time frame and includes interviews with more than a million employees. These interviews include hundreds of different questions on almost every subject related to the workplace. Buckingham and Coffman (1999) put it this way, "As you can imagine, one hundred million questions is a towering haystack of data" (p. 27). Gallup researchers had used a variety of methods for collecting and analyzing data—focus groups, factor analysis, regression analysis, concurrent validity studies, and follow-up interviews. Harter and Creglow (1999) conducted a meta-analysis that assessed "the most salient employee perceptions of management practices" (p. 255). This analysis was designed to determine what great managers do that makes their teams successful.

Harter and Creglow (1999) conclude, "researchers have focused on the consistently important human resource issues on which managers can develop specific action plans" (p. 255). These human resource issues were the primary focus in the development of employee perception statements that related to performance. Participants chose their level of satisfaction with each issue based on a five-point strongly agree/strongly disagree scale. After starting with hundreds of statements, through both

quantitative and qualitative meta-analysis, Harter & Greglow (1999) reveal that the core 13 statements used are as follows:

0. How satisfied are you with (Name of Company) as a place to work?

*Base Camp: "What do I get?"*

1. I know what is expected of me at work?
2. I have the material and equipment I need to do my work right.

*Camp 1: "What do I give?"*

3. At work, I have the opportunity to do what I do best everyday.
4. In the last seven days, I have received recognition of praise for doing good work.
5. My supervisor, or someone at work, seems to care about me as a person.

6. There is someone at work that encourages my development.

*Camp 2: "Do I belong?"*

7. At work, my opinions seem to count.
8. The mission/purpose of my company makes me feel my job is important.
9. My associates are committed to doing quality work.
10. I have a best friend at work.

*Camp 3: "How can we all Grow?"*

11. In the last six months, someone at work has talked to me about my progress.
12. This last year, I have had opportunities at work to learn and grow. (p. 256)

The meta-analysis, as explained by Harter and Creglow (1999) "is a statistical integration of data accumulated across many different studies. As such, it provides uniquely powerful information, because it controls for measurement and sampling errors

and other idiosyncrasies that distort the results of individual studies. A meta-analysis eliminates biases and provides an estimate of true validity or true relationship between two or more variables” (p. 256).

Total unit success is based on four criteria: customer satisfaction/loyalty, profitability, productivity, and turnover. The business unit in these studies is the local unit. For instance, if studying a national bank, the business unit would be the individual branch. The researchers used Pearson correlations to measure the relationship between employee perceptions and the four criteria for total unit success. Harter and Creglow (1999), summarize these studies as follows:

- There were eighteen (18) studies that examined the relationship between business unit employee perception and customer perceptions.
- Profitability measures were available for fourteen (14) studies.
- Fifteen (15) studies included measures of productivity.
- Turnover data were available for fifteen (15) studies. (p. 258)

In all, Harter and Creglow (1999), note there were “105,680 individual employee responses to surveys and 2,528 business units, an average of 42 employees per business unit and 90 business units per company”(p. 258). The number of business units per company is an important distinction says Buckingham and Coffman (1999), because when the employees scored differently based on the business unit they were involved in, and not the company they were tied to, it revealed that “these twelve opinions were being formed by the employees’ immediate manager rather than by the policies or procedures of the overall company” (p. 32). This indicates that it is the employee’s immediate manager that is most able to influence these twelve issues.

What does the research indicate are the links between employee opinion and business unit performance? Buckingham and Coffman (1999) indicate, “most of the question revealed links to two or more business outcomes (profitability, productivity, retention and customer satisfaction). The twelve questions were indeed capturing those few, vital employee opinions that related to top performance...” (p. 32).

The strongest link was between productivity and employee opinion. According to Harter and Creglow (1999), those questions with the highest validity estimates for productivity had a “mean percent variance accounted for across items is 83.72 percent, suggesting very little room for possible moderators” (p. 263) but the highest validity estimates to productivity were for:

- I know what is expected of me at work.
- At work, my opinions seem to count.
- The mission/purpose of my company makes me feel my job is important.
- Overall satisfaction
- My associates are committed to doing quality work. (pp. 263-4)

The correlation between profitability and employee perception had ten items that had positive correlations greater than .90. Harter and Creglow [note: these are the authors of the appendix that reports the meta-analysis] (1999) conclude, “the mean percent variance accounted for across items is 83.72 percent” (p. 263). Four items “that appear to generalize across companies and have the highest validities to the profitability criteria are”:

- Overall satisfaction
- My associates (fellow employees) are committed to doing quality work

- At work, I have the opportunity to do what I do best every day.
- My supervisor, or someone at work, seems to care about me as a person.

(Harter & Creglow, 1999, p. 263)

It should be noted how profitability and productivity were measured. The definition Harter and Creglow (1999) provide is “profitability was typically a percentage profit of revenue (sales)” (p. 258). For many companies Gallup used “a difference score from the prior year or a difference from a budgeted amount, because it represented a more accurate measure of each unit’s relative performance” (Harter & Creglow, 1999, p. 258). Where, for Harter and Creglow (1999), productivity measurements “consisted of either revenue figures, revenue-per-person figures, revenue per patient, or a managerial evaluation which was based on all available productivity measures and management judgment as to which business units were most productive” (p. 258). This is an important distinction and one that I will refer back to when I report my findings.

The results, when it comes to customer engagement, are that all 13 items have a positive relationship to employee opinion. Harter and Creglow (1999), estimate they “range from a low of .057 to a high of .191” (p. 261). They claim that the validity of the 13 items did not vary across studies or companies. Harter and Creglow (1999) conclude that the “items with the highest true validity that appear to generalize across companies include:

- I have a best friend at work.
- At work, I have the opportunity to do what I do best every day.
- I know what is expected of me at work.



- My supervisor, or someone at work, seems to care about me as a person. (p. 262)

Finally, according to Harter and Creglow (1999) the retention findings indicated that “four items had negative 90 percent credibility values and two items were at zero” (p. 264). Those with the highest negative true validity were as follows:

- I have the materials and equipment I need to do my work right.
- Overall satisfaction
- My supervisor, or someone at work, seems to care about me as a person.

(Harter & Creglow, 1999, p. 264)

If we go deeper into the research, what did the Gallup scientists find out? If you noticed, when I wrote out the thirteen survey questions that Gallup came up with; I added “Base Camp” and “Camp 1” and so on to it. The reason for this is that Gallup scientists found that there is a priority of needs. Buckingham and Coffman (1999) state that a “Great manager takes aim at Base Camp and Camp 1. They know that the core of a strong and vibrant workplace can be found in the first six questions” (p. 48). They go on to say that great managers know that their most important responsibility is to get fives on these first six questions. Buckingham and Coffman (1999), using an analogy of mountain climbing, conclude that if a manager concentrates on the top (7-12) questions and spend too much time up there, “sooner or later you and your people will die on the mountain” (p. 48). For this reason, they insist that the lower questions should be the manager’s foundation and the majority of the time must be spent there.

In the end, the Q12 issues are the essential needs an individual must receive from their leader and surroundings in order for the highest performance to become a reality.

Even though an individual might be a great performer on their own, with a leader that meets the Q12 issues that performer will perform at an even higher level. The Q12 issues are also building blocks, not only for creating success today, but also to developing individuals into leaders. The Q12 issues tend to build on each other. Each Q12 issue has a different function or result when met and therefore, a leader must approach each Q12 issue differently.

### *Strengths*

In their study, Buckingham and Coffman (1999) state that the “revolutionary insight” shared by all great managers is the following:

People don’t change that much.

Don’t waste time trying to put in what was left out.

Try to draw out what is left in.

That is hard enough. (p. 56).

What does this mean? It means that people don’t have unlimited potential. It means that great managers don’t spend time trying to fix people’s weaknesses. Instead, great managers spend time helping people reach their full potential by helping them understand their strengths. Then the manager draws out those strengths and helps the individual relate those strengths to their current role to maximize their potential and performance.

Buckingham and Coffman (1999) explain how great managers act in a catalyst role when it comes to strengths and Base Camp and Base 1 questions. He states that there are four activities within the catalyst role that a great manager executes well. Those four activities are: “select a person, set expectations, motivate the person, develop the

person” (p. 59). How do these relate to the Base Camp and Camp 1 questions?

Buckingham and Coffman (1999) explain it in the following way:

- Select a person: Q03 (At work, I have the opportunity to do my best). When selecting a person, great managers know how to get through a candidate’s will to impress and find the patterns that reveal his or her true talents. Basically, select for talent.
- Set expectations: Q01 (I know what is expected of me at work) and Q02 (I have the materials and equipment to do my work right). A great manager knows how to keep the employee focused on today’s performance. This means you must know for which parts of the job you will force conformity and for which you will encourage the employee to exercise her own style. Basically, define the right outcomes.
- Motivate the person: Q04 (In the last seven days, I have received recognition and praise for good work) and Q05 (My supervisor, or someone at work, seems to care about me as a person). Buckingham states that these two are driven by the manager’s ability to motivate each employee. This takes the manager’s time. There is no other way to influence these two questions except by spending time with employees. During this time, a manager should spend their time concentrating on their best people and on the person’s strengths. Basically, focus on strengths.
- Developing someone: Q05 (My supervisor, or someone at work, seems to care about me as a person) and Q06 (There is someone at work who encourages

my development). Development should be balanced between developing in current role and for future roles. (pp. 60-61)

Buckingham and Buckingham (1999) go on to say the following:

The manager role is to reach inside each employee and release his unique talents into performance. This role is best played one employee at a time: one manager asking questions of, listening to, and working with one employee...Specifically the manager creates performance in each employee by speeding up the reaction between the employee's talents and the company's goals, and between the employee's talents and the customer's needs. (p. 59)

Why is talent so important and how is it different than skills and knowledge?

Buckingham and Coffman (1999) describe talent or "mental filter" as "what's left in" (p. 79). He describes a talent as what's left in is, because of the process. He explains the process as being revealed during the 1990's boom in brain research. What was discovered is that by the time a person reaches their third birthday, the brain has made billions of connections. When a baby is first born, Buckingham and Coffman (1999) state that, "Beginning at the center of the brain, every neuron sends out thousands and thousands of signals. They are trying to talk to one another, to communicate, to make a connection" (p. 80). They continue by saying that, by the third birthday a baby has "up to fifteen thousand synaptic connections for each of its one hundred billion neurons" (p. 81). But this ends up being too many connections for the baby to handle; so, by the time the child reaches the age of 15, they have pruned these connections to a few focused connections. What are left are a person's talents, which Buckingham and Coffman (1999) describe as being a person's "recurring pattern of behaviors that makes her unique" (p. 82). By

managers understanding these recurring patterns of behavior and how they work within the job function they can help the person develop them in a way that will increase the individual's performance.

The difference between skills, knowledge, and talents is really in what a manager can do with them. Buckingham and Coffman (1999) describe them by saying that “skills, knowledge, and talents are distinct elements of a person's performance. The distinction among the three is that skill and knowledge can be taught, whereas talents cannot” (p. 83). Skills are the how-tos of a role. For example, for a math teacher, arithmetic is a skill. Buckingham and Coffman, (1999) explain “the best way to teach a skill is to break down the total performance into steps, which the student then reassembles” (p. 83). Knowledge is just explained by what a person is aware of. There is experiential knowledge and factual knowledge. Factual knowledge, for instance, would be a banker knowing the government regulations around deposit accounts.

There are four kinds of talents. According to Rath and Conchie (2008), the four talent domains are: executing, influencing, relationship building, and strategic thinking (p. 24). Rath and Conchie (2008), go on to describe these three kinds of talents in the following way:

- Strengths in the *executing* domain allow people to implement solutions and people with these strengths will “work tirelessly to get it done.”
- Those individuals with strengths in the *influencing* domain have an ability “to reach a much broader audience.” Those with *influencing* strengths will “take charge, speak up, and make sure your group is heard...”

- Strengths in the *relationship building* domain allow individuals to bring people together. People with these strengths are often the “glue that holds a team together.”
- Strengths in the *strategic thinking domain* allow people to look at what “could be.” Because people with these strengths “are constantly absorbing and analyzing information”, they tend to help teams “make better decisions.” (Pp. 24-26)

Other human behavior terms also need to be defined, if a leader is going to know whether they can be changed or not. Buckingham and Coffman (1999), describe these as the following:

- Competencies - “are part skills, part knowledge and part talent.” Some can be taught and some cannot.”
- Habits - “Most habits are first nature.” Therefore, “most habits are talents.”
- Attitudes - a positive attitude, team oriented attitude, a service-oriented attitude-these are all talents. They are part of an individual’s “mental filter.”
- Drive - Drives are a person’s “striving talents.” (pp. 89-90)

In the end, Gallup researchers (Buckingham & Coffman, 1999; Harter & Creglow, 1999) have made a compelling argument for employee opinion in determining performance and have identified which opinions matter most to each business outcome. The authors have also given us a clear understanding of strengths and important roles they can play in selecting, developing, and motivating employees to be high achievers. In essence, the way a leader reaches their goals “is always dependent on the unique arrangement of their strengths” (Rath & Conchie, 2008, p. 26). An even more important

determinant of a leader meeting their goals is how well the individual develops and utilizes their dominant strengths.

So how do we know what talents we possess, and how can leaders use a strengths-based approach with their employees? I will cover these two questions in the next section.

### *Strengths-Based Leadership*

The first question we need to answer is, "how does a leader determine what strengths an individual has?" Buckingham and Clifton (2001), provide us with the anatomy of a strength and how to create a strength-based organization. For starters, Buckingham and Clifton (2001), say that those that developed their strengths "identified in themselves some recurring pattern of behavior and then figured out a way to develop patterns into genuine and productive strengths" (p. 24). This is the anatomy of a strength. It is those recurring behaviors we as individuals do naturally. So, if that's the anatomy of a strength, what is a strength?

A strength is "consistent near perfect performance in an activity" (Buckingham & Clifton, 2001, p. 25). It would make sense that we would do these things near perfect if we do them often and naturally. This doesn't mean our strength is in every piece of the activity for it to be strength. The authors use the example of Tiger Woods and his golf game. He is great at using his woods and putters, but struggles with his chip shots. Does this mean he is not effective at golf? No, not at all. Out of this, Buckingham and Clifton (2001) reveal three important principles from this revelation:

- 1) For an activity to be a strength you must be able to do it consistently.

- 2) You do not have to have a strength in every aspect of your role in order to excel.
- 3) You will excel only by maximizing your strengths, never by fixing your weaknesses. (p. 26)

Buckingham and Clifton (2001) go on to list three “revolutionary” tools they have discovered to develop a person’s strengths. The authors describe them as the following:

- 1) The first revolutionary tool is understanding how to distinguish your natural talents from things you can learn. This means knowing the difference between your talents, which are your naturally recurring patterns of thought, feeling, or behavior and knowledge, which consists of the facts and lessons learned in life, and skills, which are the steps of an activity (p. 29).
- 2) The second revolutionary tool is a system to identify your dominant talents. (p. 31) It is the various themes of talent are what the StrengthsFinder Profile actually measures (p. 29). The one sure way to identify a strength is to step back and watch yourself for a while (p. 31). The authors use the example of trying an activity and when you are doing it watch yourself for steps you might skip or steps you gravitate toward or that come easy to you. This may signal a strength or talent.
- 3) The third revolutionary tool is a common language to describe your talents (p. 32). The 34 themes of the StrengthsFinder Profile will help create a new language to use for describing talents that everyone can understand.

Why are talents important to the strength building process? Buckingham and Clifton (2001) say that because you are “unable to intellectualize every minute decision,



you are compelled to react instinctively. Your brain does what nature always does in situations such as this: It finds and follows the path of least resistance, your talents” (p. 57). Because we need to make these quick decisions on a regular basis throughout the day it is imperative that we learn to be “near perfect” in those things that we will naturally fall back on, our talents. The authors go on to say “the sum of these tiny decisions—let’s say a thousand a day—is your performance for the day” (p. 57). If you don’t know how to utilize those talents and make them strengths, how can you be sure of your performance? Buckingham and Clifton explain that we learn and detect our talents through “spontaneous reactions, yearnings, rapid learning, and satisfactions” (p. 75).

One way to uncover these talents and turn them into strengths is by using what Buckingham and Clifton, 2001, call the *StrengthsFinder Profile* (p. 76). Though they state that best way to uncover your talents “is to monitor your behavior and your feelings over an extended period of time, paying particular attention to the clues we described above,” they have found the StrengthsFinder Profile to be an effective alternative (Buckingham & Clifton, 2001, p. 76).

Buckingham and Clifton (2001) explain that in order to make the StrengthsFinder Profile effective they set it up so an individual had to pick between two alternatives in order “to make these two choices count” (p. 77). The authors achieved the two alternatives by asking over “two million people open-ended questions and listening to find out whether some of these questions elicited similar kinds of responses from people with similar talents” (Buckingham & Clifton, 2001, p. 77). They go on to give the example of people who answered questions with “it depends on the person” consistently

had the talent of individualization, and because of this, they formulated questions with this response to test for individualization as a talent (p. 77).

In order to ensure that the person was picking an answer that was truly a talent, Buckingham and Clifton (2001) made the two selections possible to be specific to talents rather than direct “opposites” (p. 77). For example, consider the following scenario Buckingham and Clifton provide for us:

When we asked millions of people “When you are talking to someone, how do you know if you are doing a good job of listening?” we found two distinct patterns of response. People with analytical talent answered like this: “I know that I am doing a good job of listening if I can understand and repeat back what the other person is saying.” By contrast, people with a talent for empathy gave a very different answer: “I know that I am doing a good job of listening if the other person keeps talking.”” (pp. 77-78)

The process Buckingham and Clifton used seemed to be thorough and used a large sample, with two million people. Out of this process, the StrengthsFinder Profile tests for thirty-four possible talents and then ranks them. The top five are what an individual sees, because these top five are the individuals “most dominant themes of talent, your signature themes.” (p. 78) The thirty-four themes of StrengthFinder based on type are (Rath & Conchie, 2008, p. 24) provided in Table 1.

Table 1: StrengthFinder Talents by Domain

Executing	Influencing	Relationship Building	Strategic Thinking
Achiever Arranger Belief Consistency Deliberative Discipline Focus Responsibility Restorative	Activator Command Communication Competition Maximizer Self-assurance Significance Woo	Adaptability Developer Connectedness Empathy Harmony Includer Individualization Positivity Relator	Analytical Context Futuristic Ideation Input Intellection Learner Strategic

Some of these themes are self-explanatory, whereas, some of them may be somewhat cryptic. For instance, “Woo stands for winning others over” (Buckingham & Clifton, 2001, p. 116). Also, the theme Individualization means a person is “intrigued by the unique qualities of each person” (p. 104). Whereas, the Input theme means you are curious. Buckingham and Clifton (2001) explain that with the Input theme you “might collect information—words, facts, books, and quotations—or you might collect tangible objects such as butterflies, baseball cards, porcelain dolls, or sepia photographs” (p. 105).

Once someone knows and understands their strengths, how do they manage around their weaknesses? Buckingham and Clifton (2001) provide us with a few suggestions for minimizing weaknesses that came out of interviews with top performers and these suggestions are as follows:

- 1) Get a little better at it.
- 2) Design a support system.
- 3) Use one of your strongest themes to overwhelm your weakness.
- 4) Find a partner.
- 5) Just stop doing it. (pp. 150-157)

How do we develop strengths? Buckingham (2007) provides a process for understanding and utilizing one's strengths. According to Buckingham (2007), one of the main objectives to understanding one's strengths is laid out in the following three steps: capture, clarify, and confirm. Buckingham suggests that an individual capture their activities for one week. When doing so, the person should write down how they feel while doing that activity. Does it make them feel strong or does it drain them? At the end of the week, the individual ought to rank the most positive activities and the most negative activities based on how they made them feel. This leads into the confirm portion. In which the individual should make three strengths statements with the top three most positive activities, because these activities are part of the individual's strengths (p. 101). It is up to the individual to reflect as to what element of the activity makes them feel strong and provides them energy.

The last point Buckingham speaks of is to *confirm* that what your strengths really are. For instance, you may not be trusted to identify your strengths, but you can be trusted to conclude your own emotions. So, in order to confirm that your strengths truly are strengths, Buckingham has come up with a test. To do this, Buckingham (2007) provides a strengths test that includes the follow four pieces to it: success, instinct, growth, and needs (p. 107). Basically, have you been successful doing this type of activity? Do you instinctively do this type of activity? Do you grow while doing this activity? And lastly, do you have an intrinsic need to do this type of activity? If you can answer yes to all of these questions, then the activity is one of your strengths (p. 107).

Strengths-based leadership is built on research that states there isn't one set of traits an individual must be born with or acquire in order to be successful. Instead,

strengths-based leadership states that each person has talents that were developed at an early age, that are natural to an individual, and if a person is consciously competent in the use of these talents they can develop them into a strength which can be turned into successful performance as a leader.

### *Human Sigma*

Gallup took the previous research and deciphered it even more and came up with the Human Sigma model. Fleming and Asplund (2007) describe Human Sigma by saying it, “focuses on accepting our human nature and capitalizing on it to manage employees, motivate them, accelerate their development, and unleash innovation and productivity all to ultimately engage the emotions of your most valuable asset—your customers” (p. 277). In essence, Human Sigma is a way to manage your employee-customer encounters. The importance of these encounters cannot be understated as Fleming and Asplund (2007) note, “customer engagement and emotional attachment were strongly related to actual customer behavior” (p. 149). This is critical in the field of sales, because the sales agent’s ability to create that emotional attachment can have a huge impact on the bottom line. The more loyalty a customer has the more they will purchase. In fact, Fleming and Asplund (2007) state that, in their research, “Fully engaged customers of a super-regional consumer bank have total banking relationships that are 26% larger and generate revenues that are 13% higher than actively disengaged customers” (p. 130).

On the employee engagement side of the equation the numbers are just as staggering. Fleming and Asplund (2007) found that companies with high-engaged employees had 2.6 times the growth rate of companies with low-engaged employees (p. 160). This indicates great opportunities for growth for those companies with low-

engaged employees, just by raising employee engagement. Fleming and Asplund (2007)

also found engaged workgroups are:

- 18% more productive
- 12% more profitable
- 12% better at engaging customers
- 51% less likely to leave the organization (low turn-over companies)
- 31% less likely to leave the organization (high turn-over companies)
- 62 % less likely to be involved in an accident on the job
- 27% less prone to absenteeism
- 51% less likely to be a source of inventory shrinkage (p. 169)

Overall, Fleming and Asplund (2007) note those companies above the 50<sup>th</sup> percentile in the Gallup database in both employee engagement and customer engagement, are 3.4 times as profitable as those that are not (p. 209). According to Fleming, Coffman, and Harter (2005) “fully engaged customers deliver a 23% premium over the average customer in terms of share of wallet, profitability, revenue, and relationship growth” (p. 110).

There are five rules and three main tactics for implementing the model. Fleming and Coffman (2007) describe the five rules as follows:

- 1) “E Pluribus Unum. You can’t measure and manage employee and customer experiences as separate entities; they must be managed together under a single organizational entity.” (p. 62)
- 2) “Feelings are facts, and emotions frame the employee-customer encounter.” (p. 85)

- 3) “Think globally, measure and act locally: You must measure and manage the employee-customer encounter locally.” (p. 197)
- 4) “There is one number you need to know: We can quantify and summarize the effectiveness of the employee-customer encounter in a single performance metric—the Human Sigma metric—that is powerfully related to financial performance” (p. 222). The Human Sigma metric consists of ratings HS1 to HS6, with HS 1 being the lowest performance rating and HS6 being the best performance rating. This number is determined by combining customer engagement scores and employee engagement scores. There are two separate mathematical equations used to determine the Human Sigma rating for a business unit. According to Fleming et al (2005), if both customer engagement and employee engagement are above the 50 percentile the Human Sigma metric equation is as follows:  $HS = \sqrt{(EE_{\text{percentile}} \times CE_{\text{percentile}}) \times (\text{percentile Max} / \text{percentile Min})^{0.125}}$ . If either employee engagement or customer engagement are below the 50 percentile then the equation looks like this:  $HS = \sqrt{(EE_{\text{percentile}} \times CE_{\text{percentile}}) / 2}$ .
- 5) “If you pray for potatoes, you better grab a hoe. Improvement in local Human Sigma performance requires deliberate and active intervention through attention to a combination of transactional and transformational intervention activities.” (p. 234)

The transactional and transformational activities are better illustrated by going over the tactics of Human Sigma. The core of these tactics is for the leader to *evaluate*, *intervene* and *encourage*. As a whole, a leader is only as effective as they are able and

willing to act in each of these areas. If one tactic is left out of the process, it loses effectiveness and, ultimately, is useless. Following are the main points as laid out by Fleming and Asplund (2007) for each of the three tactics:

The first tactic is Evaluate. In order to create realistic short-term and long-term goals company leaders “need objective data to provide accurate assessment of current performance and set realistic short-range and long-term goals” (p. 233). This objective data is provided through the HumanSigma metric, and managed as follows:

- 1) “Our human nature dominates our attitudes and behaviors so much that it’s best to understand us as we are and then learn to make the most of it” (p. 236). Basically, concentrate on people’s strengths, not their weaknesses.
- 2) “A rigorous process of monitoring engagement and defining appropriate support and activities is needed. Local units must be held accountable for their engagement levels, their successes should be celebrated, and they should receive the support they need to increase engagement” (p. 237). Develop a system for monitoring and supporting employee engagement.
- 3) “Evaluation is a transactional activity: it supports interventions large and small, but it’s rarely a transformational endeavor on its own” (pp. 236-237). Thus, it is essential to make use of evaluation results.
- 4) Analysis is key. “It encourages managers and workgroups to identify specific opportunities to respond to at a local level” (p. 239). As a work group, analyze evaluation information to determine priority opportunities.
- 5) Creates accountability. Objective data creates accountability by providing accurate assessment of performance.



- 6) Identify group performance zones. “By identifying performance zones and tailoring interventions to current performance—a process we call *adaptive intervention*—organizations can apply solution strategies that best fit a team’s current performance level” (p. 241). This approach decreases two barriers organizations encounter: “habituation and a phenomenon that social scientists call ‘learned helplessness’” (p. 242). Habituation is when change becomes tied to the same strategy and learned helplessness is when performance expectations are thought to be outside someone’s ability. Identifying performance zone allows leaders to change strategies as the individual changes performance zones.

The second tactic is intervention. According to Fleming and Asplund (2007), the main piece of intervention is to “meet people where they are” (p. 243). This is important because it enhances involvement by the team member, and ultimately, the team member’s involvement enhances their commitment to improvement. Communication is critical during this phase. If employees do not understand why engagement is needed and how it will benefit them and the effect it has on the team they will become disengaged. In order to implement action plans in response to performance measures, Fleming and Asplund (2007), state that included in the communication “organizations also need to provide a process and language to help employees begin to implement these educational objectives” (p. 247). Fleming and Asplund (2007) include the following transactional activities when it comes to intervention (pp. 247-252):

- 1) Brand promise alignment exercise. The authors believe that the frontline employees are “brand ambassadors” and because of this they are the “face of

your brand in the marketplace” (p. 247). Because of this, the authors’ recommend asking the following two question to start with: “What is your company’s brand promise? And how well-known is it throughout the company?” (p. 247). This includes what the promise is to both customers and employees. Anecdotally, the authors found that out of 12 executives at a company, no two agreed on the same promise. The authors suggest that this is not unusual and that this needs to be the first step.

- 2) Action Planning. This includes engaging all team members in developing specific improvement actions. “For action planning to be effective, it must be completed in a timely manner, usually within one month of receiving local Human Sigma performance feedback” (p. 249). Lastly, the authors suggest “the freedom that a unit is given to decide its own action planning should be determined by its level of performance” (p. 249). For instance, if their Human Sigma performance level is at HS1 or HS2 then the team is provided with specific action to improve performance. If the team is at a HS3 performance level then they should be given a mixture of mandated actions and activities to choose from. Fleming and Asplund (2007) also suggest the action items should meet the “S.M.A.R.T.” criteria for setting objectives (Specific, Measurable, Action-oriented, Realistic, and Time-bound) (p. 249). In the end, active coaching should support the action planning in order to ensure success.

Fleming and Asplund (2007) describe the goal of transformational activities a leader performs as creating a “fertile soil” for your organization to grow (p. 253). This is done through creating a culture of accountability. That accountability comes through

setting standards, but then supporting those standards with “assistance and incentives they need to improve” in order to meet your goals (Fleming & Asplund, 2007, p. 254). Fleming and Asplund (2007) advocate building a strength-based organization in order to transform the organization.

Fleming and Asplund (2007) say that when an individual has a strength it means they have “an ability to provide consistent, near-perfect performance in a specific activity” (p. 254). They say that the first step to building a strength is to “identify your greatest talents” (p. 254). Talents are ways in which a person naturally and uniquely thinks, feels, or behaves. Fleming and Asplund (2007) state “talents are pre-dispositions that exist deep within us, like a burning desire to win, a natural tendency to assume command of a group of people, or an instinctive sense of the feelings of other people” (p. 255).

Fleming and Asplund (2007, p. 255) state that “strengths are created” when these natural talents that someone has within them are combined with a skill, such as how to cut a person’s hair. Talents are part of the person and not likely to change, whereas knowledge and skills can be acquired with relative ease. The authors’ state that understanding one’s talents is the first step in a person’s journey to mastering them. They back up their strength-based approach through the following research:

We found that high performers were more likely to indicate that they spent time with their high producers, matched an individual’s talent to the tasks assigned, and emphasized individual strengths versus seniority in making personnel decisions. The probability of the manager being a high performer was 86% (or 1.9 times) greater for managers with a strengths versus non-strengths’ approach.

At an individual level, our studies have also shown that a strengths-based approach to development increases self-confidence, direction, hope, and altruism, all of which enhance productivity and overall performance. (p. 259)

Fleming and Asplund (2007) found that “teams whose managers received a strengths intervention had productivity measures that were 12.5% higher (post-intervention) than teams whose managers received no intervention, and 8.9% higher profitability” (p. 257). They also found that employees that learned their strengths were 14.9% less likely to leave the company (p. 258).

By integrating strengths-based performance reviews into the intervention process the employee will have a much clearer picture of how the company defines success and whether they are successful. This puts the accountability on the individual to do what they do best everyday, and ultimately, creates a much more engaged employee. As you will see “Do you have the opportunity to do what you do best everyday?” is one of the Q12® questions that measures employee engagement. The review process should start, however, by setting clear expectations. The authors are clear that the meaning of setting expectations is about “what each employees is supposed to accomplish, not how he or she is supposed to accomplish it” (Fleming & Asplund, 2007, p. 259). Fleming and Asplund (2007) state that a manager shouldn’t “rate employees on whether they seem to “drive for results,” but on whether they actually produce results” (p. 260). After this step, the manager should “get to know the employees’ greatest talents and therein potential for strength” (p. 260).

The last strength-based piece is hiring practices. Fleming and Asplund (2007) studied 55,234 observations from 386 studies, and found that “results showed that hiring

the top 20% of candidates recommended on the basis of their talents relates to more than a 20% gain in sales performance per person” (p. 266). This indicates easier training and development of new employees when they are hired based on how well their talents fit a particular job.

Another tactic spoken of is encouragement. This step helps engage employees through celebrating success and motivating employees to improve. The transactional and transformational activities during the encouragement process include:

*Transactional*

- 1) Employees’ preferred recognition.
- 2) Performance communication/recognition
- 3) Local celebrations/recognition
- 4) Formalized rewards

*Transformational*

- 1) Peer group mentors
- 2) HumanSigma Level and 6 summit/retreat
- 3) Case studies

As one can see much of the encouragement process is about celebrating success. Fleming and Asplund say “celebrating successes helps institutionalize improvement by establishing the language and culture of engagement” (p. 269). They say, “Consistent enterprise-wide support is necessary to maintain positive momentum. And cheerleading and emphasizing initiative are important means of sustaining enthusiasm for the change process” (p. 269).

In the end, the authors state that HumanSigma is about accepting our human nature and training our emotional mind through “daily conditioning, meditation, and purposeful redirection of our most basic impulses” (p. 278). This takes time the authors say, because too often we don’t have the patience for missteps, which there most certainly will be when working with human nature. The authors suggest the most important aspect of employee engagement is that everyone on the team is moving in the same direction. In order to achieve this, Fleming and Asplund (2007) suggest they, “have found that most workgroups and managers can be optimally measured with only two classes of metrics: the critical financial and operational outcomes that are the purpose of that business unit and the HumanSigma level of that unit” (p. 259). Both of these tools will be used from a national bank in this study.

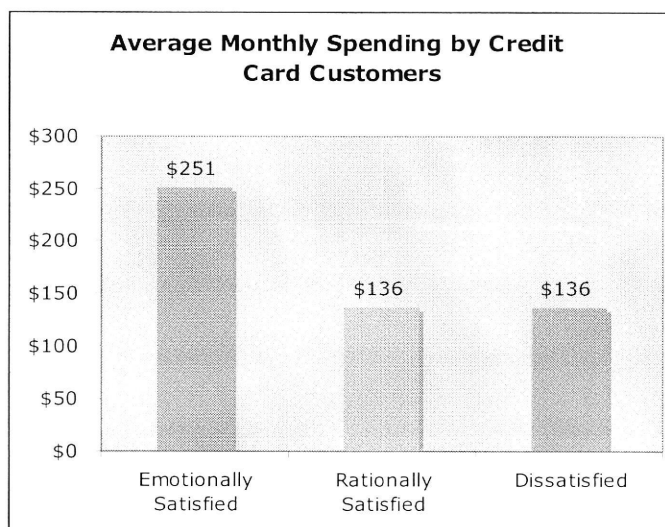
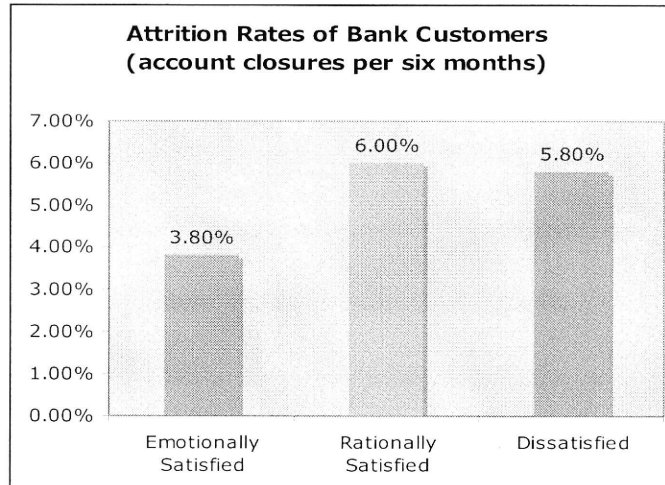
Fleming and Asplund (2007) list the following as the Q12® employee engagement survey (as illustrated earlier) and the CE11® customer engagement survey:

*CE11®*

- Overall, how satisfied are you with [Brand]?
- How likely are you to continue to choose/repurchase/repeat (if needed) [Brand]?
- How likely are you to recommend [Brand] to a friend/associate?
- [Brand] is a name I can always trust.
- [Brand] always delivers on what they promise.
- [Brand] always treats me fairly.
- If a problem arises, I can always count on [Brand] to reach a fair and satisfactory resolution.

- I feel proud to be a [Brand] [customer/shopper/user/owner].
- [Brand] always treats me with respect.
- [Brand] is the perfect [company, product/ brand/ store] for people like me.
- I can't imagine a world without [Brand]. (Pp. 285-286)

Fleming, Coffman, and Harter (2005) provide us with one last piece of evidence that emotions do frame the customer encounter and the profit involved with that encounter. Consider the following graph showing the emotional makeup of banking customers compared to their attrition rates and their monthly credit card usage (p. 109):



As one can see emotionally satisfied customers are much better for the bottom line. First, emotionally satisfied customers have a much lower attrition rate. Second, they are more willing to use a bank's product, as is the case with the increase usage of bank credit cards shown above.

In conclusion, Human Sigma is a model that equips leaders with the tools to manage the employee-customer encounter through engaging both the employee and the customer. This engagement allows for the leader to gain high performing and engaged team members that due to their own engagement are able to engage customers; thus, maximizing profits through customer engagement and ultimately customer loyalty.

### *Leadership Styles*

Leadership styles are unique in leadership theory in that they concentrate solely on the leader's behavior in situations. This section will go through the various forms of leadership styles and the theories that accompany them, starting with contingency theory. Situational leadership (Blanchard, 2007) follows the earlier work of Fiedler (1967) on contingency theory. From there the review gives an overview of emotional intelligence leadership (Goleman et al. 2002) before going much deeper into resonant leadership and the style that make up the core theory and research.

### *Contingency Theory*

Although more contemporary contingency leadership models are the nucleus of this research, it is essential to start from the genesis of these models. There are numerous variations of contingency theory, but one of the earliest was researched and developed by Fiedler (1967). Fiedler's (1967) contingency model "states that the group's performance will be contingent upon the appropriate matching of leadership style and the degree of



favorableness of the group situation for the leader, that is, the degree to which the situation provides the leader with influence over his group members” (p. 151). He goes on to further define the model when he “suggests the group performance can, therefore, be improved either by modifying the leader’s style or by modifying the group-task situation” (p. 151). In essence, a leader’s behavior or style is driven mostly by the situation the group finds itself in.

Through multiple studies, Fiedler (1967) uncovered three dimensions within this system: the leader-member relations, the degree of task structure, and position power (p. 142). These three dimensions really measure the amount of influence the leader will have at his or her disposal (Fiedler, 1967). Fiedler (1967) describes leader-member relations as being either good or moderately poor (p. 142). The task structure is broken up into two categories: structured and unstructured. This is followed by position power, which is also broken into two categories: strong and weak.

The other dimension that is more in line with leadership styles is whether or not a leader takes a task-oriented approach or a relationship-oriented approach. This piece of Fiedler’s work seems to be the true genesis of future studies covered later, such as situational leadership and emotional intelligence leadership. During the testing of the model, the approach of the leader was measured against three dimensions to judge performance outcomes based on the situation of the group. Fiedler (1967) determined the leader’s style being used by giving each leader a Least-preferred Coworker (LPC) score. A leader with high LPC was more relationship-oriented in their leadership style during the tested situation. Those leaders receiving a low LPC score were much more task-oriented in their leadership style.

The result of Fiedler's (1967) research was that "quasi-therapeutic leader attitudes are essential in some stressful situations and task-oriented attitudes are essential in others" (p. 204). Fiedler (1967) goes on to say that the difficulty is determining what leadership style to use for each situation. Where Fiedler (1967) is different from some of the later research is that he takes into account the leader's personality and natural leadership tendencies. Later studies tend to be more prescriptive in nature; that is, they prescribe a specific style to a situation. Fiedler (1967) approach takes the individual leader's attributes into consideration. Because of this, Fiedler (1967) argues that when it comes to leadership training, "it should focus on providing the individual with methods for diagnosing the favorableness of the leadership situation and for adapting the leadership situations to the individual's style of leadership so that he can perform effectively" (p. 254). To this end, Fiedler (1967) tends to match the situation to the individual's preferred style. This is not the case with more contemporary theories, such as situational and resonant leadership. Instead, they tend to match the style to the situation.

Though Fiedler's (1967) has some distinct differences from later theories and studies, he does lay the groundwork for research on leadership style and its impact on employee performance. Contingency theory is a building block for that of the more therapeutic leadership theories such as emotional intelligence theory and the resonant and dissonant style of leadership.

### *Situational Leadership*

One of the most widely used leadership models in performance management is the Situational Leadership Model. This model is widely used among leader in corporations today (Blank, et al., 1990, p. 579).

Blanchard (2007) describes four developmental stages: D1 or *enthusiastic beginner*, D2 or *disillusioned learner*, D3 or *capable but cautious performer*, and D4 or *self-reliant achiever* (p. 89). As you can see in Exhibit 1, Blanchard says the leadership prescription for a D1 subordinate at a given task is high directive leadership (p. 89). This means the leader would use greater task leadership and less relational leadership behaviors with the subordinate. High-level, mature salespersons were found to be virtually immune to the prescriptions laid out in the model. Meaning, the styles prescribed for mature employees had little impact on creating higher performance.

The D1 and D2 stages prescribe directing and coaching leadership styles, respectively. Again, within the D1 and D2 developmental stages the leader directs the individual and monitors the subordinate doing that particular task. Other studies, such as one done by Butler et al. (1991) found the prescriptions, especially in the upper maturity levels, actually had adverse effects on performance. They found that the model was much more accurate for the lower maturity levels than for the higher levels where less directive leadership is involved. It is unclear in these studies, if the cause of this inefficiency at the higher level has do with the model itself or misdiagnosis by the leader of an individual's development level.

The results of research investigating the Situational Leadership Model are mixed. Vecchio (1987), one of the first to study and research the model, found partial support for

the theory (p. 449). He found that the situational model was most effective in the D1 and D2 range (see Exhibit 1), where development was still at its least mature and most direct (p. 449).

Blank et al. (1990) found that persons within the workgroup considered maturity level and performance separately; the first by peers and the latter by leaders. The study suggested that because the Situational Model was only prescriptive to a specific task, the model was seen as useless. The research found that task behavior had high impacts on all maturity levels in regard to job satisfaction, but little in regard to performance. Task and relationship behavior had a high impact on job and supervisor satisfaction, not performance. Because of the complexity of the leader-member exchange, the authors believe that any testing of the theory has built in ambiguity (p. 580).

The research on Situational Leadership makes a strong case for early development of individuals, and leadership that involves more directive and coaching styles for performance leadership. Though there is little evidence that the model is effective at the higher levels of development, it is inconclusive as to why this might be. If we take coaching, supporting, and delegating as they relate to the EI model, we realize that these leadership styles create resonance within the workplace and do impact overall performance. This, I believe is an important distinction and one that brings EI Leadership and Situational Leadership together.

These two theories, EI Leadership and Situational Leadership, seem to work together on many levels. First, both are situational in nature. EI Leadership is about using the correct emotional competencies at the correct time. In the same vein, Situational Leadership is about using the correct amount of task or relational focus when

leading a specific situation. Second, they both rely on creating trust and understanding through collaboration for development and increased performance rather than using autocratic styles. However, the two theories digress when it comes to how they define the styles. For instance, within the coaching style, EI Leadership states that delegating is a part of the coaching style; whereas, Situational Leadership separates delegating and coaching as separate styles.

Overall, the research supports a few main points. First, teams led by leaders that use multiple emotional competencies and at least four leadership styles, mostly resonant styles, perform at higher levels. Second, people with low competence in a task or position need and respond better to more of a directive leadership style, although coaching is the best framework for providing this direction. Third, there are specific issues that drive employee engagement and performance. For instance, an employee knowing what is expected of them and an employee being able to do what they do best everyday are both drivers that lend to greater employee engagement and performance. Fourth, these issues also drive employees to create higher customer engagement, which creates more profitable organizations. Fifth, leaders directly impact these employee issues. Lastly, individual talents are mostly fixed, but understanding and developing individual strengths, both the leader's and the subordinate's strengths, is crucial to maximizing job performance.

#### *Emotional Intelligence Leadership*

Because HumanSigma measures an emotional encounter between employee and customer, it seems only natural to use an emotional approach to leading as well. For this reason, Resonant Leadership, grounded in emotional intelligence, has been chosen as one

of the leadership theories to incorporate in this research. First, it is essential to start by explaining what emotional intelligence (EI) is.

EI, as explained by Goleman (2000), is “the ability to manage ourselves and our relationships effectively—consists of four fundamental capabilities: self-awareness, self-management, self, social awareness, and social skills. Each capability, in turn, is composed of specific sets of competencies” (p. 80). These emotional competencies make up the EI leadership spectrum that will be covered later. It is important to illustrate the competencies as they relate to these four fundamental capabilities. According to Goleman (2000), they are as follows:

#### *Self-Awareness*

- Emotional self-awareness: the ability to read and understand your emotions as well as recognize their impact on work performance, relationships, and the like.
- Accurate self-assessment: a realistic evaluation of your *strengths* and limitations.
- Self-confidence: a strong and positive sense of self-worth.

#### *Self-Management*

- Self-Control: the ability to keep disruptive emotions and impulses under control.
- Trustworthiness: a consistent display of honesty and integrity.
- Conscientiousness: the ability to manage yourself and your responsibilities.
- Adaptability: skill at adjusting to changing situations and overcoming obstacles.

- Achievement orientation: the drive to meet an internal standard of excellence.
- Intuitive: a readiness to seize opportunities.

*Social-Awareness*

- Empathy: skill at sensing other people's emotions, understanding their perspective, and taking an active interest in their concerns.
- Organizational awareness: the ability to read the currents of organizational life, build decision networks, and navigate politics.
- Service orientation: the ability to recognize and meet customers' needs.

*Social Skill*

- Visionary leadership: the ability to take charge and inspire with a compelling vision.
- Influence: the ability to wield a range of persuasive tactics.
- Developing others: the propensity to bolster the abilities of others through feedback and guidance.
- Communication: skills at listening and at sending clear, convincing, and well-tuned messages.
- Change catalyst: proficiency in initiating new ideas and leading people in a new direction."
- Conflict management: "the ability to de-escalate disagreements and orchestrate resolutions.
- Building bonds: proficiency at cultivating and maintaining a web of relationships.

- Teamwork and collaboration: competence at promoting cooperation and building teams. (p. 80)

At least two of these emotional intelligence capabilities seem to connect back to the Gallup research. First, under self-awareness we see accurate self-assessment defined as how well a person understands his or her own “strengths and limitations” (Goleman, 2000, p. 80). Goleman’s emphasis on strengths in this assessment suggests that not only is there a similarity in how Gallup’s research and Goleman’s research understand self-assessment and its importance in leading teams to performance, but it also seems to suggest that Gallup’s strengths evaluation is a good place to start if a leader wants an accurate self-assessment.

The second piece from Goleman’s emotional capabilities that seems especially connected to the Gallup research is under self-management, where we see achievement orientation, defined as a drive for performance sourced from an “internal standard” one holds (Goleman, 2000, p. 80). It seems without knowledge of one’s strengths and how they create enjoyment and flow in an activity, it would be difficult for an individual to understand how they can impact drive toward those internal standards. We will see both of these capabilities in the styles Goleman describes, especially the coaching style, in which accurate self-assessment is essential in successfully using this style.

Throughout his research, Goleman is using quantitative research that he conducted with the consulting firm Hay/McBer. Goleman (2000) describes this research as new research “which draws on a random sample 3,871 executives selected from a database of more than 20,000 executives worldwide” (p. 80). This research came out of earlier research done by Harvard University psychologist, David McClelland. In that



research, McClelland studied division heads at a large food and beverage company. It is in the Hay/McBer study, which Goleman conducted, that these emotional intelligence competencies were recognized and began to take shape, and Goleman (2000) states that among leaders “with this critical mass of competence, 87% placed in the top third for annual salary bonuses based on their business performance” (p. 81). Goleman (2000) states that these same leaders outperformed their yearly revenue targets by 15% to 20% and their peers who lacked the emotional competencies underperformed financial targets “an average of 20%” (p. 81).

Goleman (2000) contends that the research shows that a leader’s behavior or style has a direct impact on a team’s working atmosphere and, ultimately, financial performance. These leadership behaviors make up six different leadership styles and, used correctly, create positive results. Goleman (2000) also contends there are “six distinct leadership styles, each springing from different components of emotional intelligence” (p. 78).

Goleman found that within those components are certain critical emotional competencies, such as, empathy and self-control. Goleman concludes that leaders who had *strengths* in at least six of these competencies were “far more effective than peers who lacked such strengths” (p. 80). Strengths, if remembered, were an important piece of the HumanSigma model as well. Later, I will illustrate the research on strengths and how they might affect individual performance.

In his later research with Hay/McBer, Goleman’s (2000) team tested each executive’s immediate team or “sphere of influence” for its climate (p. 81). The climate was based on six key factors that influence an organization’s working environment.

Goleman (2002) found that “in 75% of cases, climate alone accurately sorted companies into high versus low profits and growth” (p. 17). Goleman (2000) states the six key factors as the following (p. 81): *flexibility*--freedom employees feel to innovate, *standards*--the level people set, *rewards*--or the sense of accuracy to performance feedback, *clarity*--people have about mission and values, *commitment*--level of to a common purpose and *responsibility*--sense of toward the organization.

Goleman found every aspect of climate was measurably affected by all six leadership styles (see Table 2). According to Goleman (2002), the six leadership styles are as follows (p. 55): *commanding (or coercive)*, *pacesetting*, *visionary (or authoritative)*, *coaching*, *affiliative*, and *democratic*.

Table 2. The Impact of Leadership Styles on Drivers of Climate

Climate	Commanding	Visionary	Affiliative	Democratic	Pacesetting	Coaching
Flexibility	-.28	.32	.27	.28	-.07	.17
Responsibility	-.37	.21	.16	.23	.04	.08
Standards	.02	.38	.31	.22	-.27	.39
Rewards	-.18	.54	.48	.42	-.29	.43
Clarity	-.11	.44	.37	.35	-.28	.38
Commitment	-.13	.35	.34	.26	-.20	.27
Overall impact on climate	-.26	.54	.46	.43	-.25	.42

As we can see, four of the six leadership styles have positive effects on climate: democratic, coaching, visionary, and affiliative– the resonant leadership styles, because they create resonance with a work group. Two of the leadership style have a negative impact on climate: commanding and pacesetting– the dissonant styles, because they

create dissonance or tension among the work group. Goleman (2002) states that the reason pacesetting and commanding have a negative impact is because they are “often misused” or “poorly executed” (p. 55). Both pacesetting and commanding have their place in the leaders repertoire of leadership styles. The leader should limit the distance they take these style and they should use them sparingly as well. Table 3 goes deeper into the characteristics of each leadership style according to Goleman (2000) and Goleman, et al. (2002).

In more detail, what does Goleman tell us about each of the six leadership styles? Also, what insight might these sources tell us about how the six leadership styles relate to the employee engagement questions on Gallup’s Q12® questionnaire. To do this, all six leadership styles will be reviewed individually.

Table 3. Impact of Leadership Styles on Climate Drivers

	Command	Visionary	Affiliative	Democratic	Pacesetting	Coaching
The leader's modus operandi	Demand immediate compliance	Mobilizes people toward a vision	Creates harmony and builds emotional bonds	Forges consensus through participation	Sets high standards for performance	Develops people for the future
The style in a phrase	"Do what I tell you."	"Come with me."	"People come first."	"What do you think?"	"Do as I do, now."	"Try this"
How it builds resonance	Soothes fears by giving clear direction in emergency	Moves people toward shared dreams	Creates harmony by connecting people to each other	Values people's input and gets commitment through participation	Meets challenging and exciting goals	To help an employee improve performance by building long-term capabilities
Underlying emotional intelligence competencies	Drive to achieve, initiative, self-control	Self-confidence, empathy, change catalyst	Empathy, building relationships, communication	Collaboration, team leadership, communication	Conscientiousness, drive to achieve, initiative	Developing others, empathy, self awareness
Overall impact on climate	Often negative, because usually misused	Most strongly Positive	Positive	Positive	Often negative, because usually poorly executed	Highly Positive
When appropriate	In a crisis, to kick start a turnaround, or with problem employee	When changes require a new vision, or when a clear direction is needed	To heal rifts in a team, motivate during stressful times, or strengthen connections	To build buy-in or consensus, or to get input from valuable employees	To get quick results from a highly motivated and competent team	To help an employee improve performance or develop long-term strengths

### *The Resonant Styles*

The resonant styles are the four styles that create positive business climates when used appropriately. These styles are: visionary, democratic, coaching, and affiliative.

The following sections detail the research around these four styles and how they impact performance and business climate.

### *Visionary Style*

Goleman (2000) defines the *visionary style* as motivating “people by making clear to them how their work fits into a larger vision for the organization” (p. 83). As we can see in Table 1, the visionary style is the most positive style. No wonder so many companies over the past decade have become so keen on developing a solid vision and mission for their company. It’s because of the positive affect it has on the overall business climate. Consider the following attributes of the visionary style given by Goleman et al. (2002) and their affects on climate and how it might connect with Q12®. I will come back to these connections again in the discussions section of this paper.

#### *Impact on clarity*

- Makes clear how individual work fits into larger vision for the organization—Q8 mission/purpose.
- Make sure people understand what they do matters and why—Q8 mission/purpose.
- Maximizes commitment to the organization’s goals and strategy by framing individual task within a grand vision—Q8 mission and purpose.
- Defines standards that revolve around the vision—Q1 know what’s expected and Q9 employees committed to quality.
- Performance feedback is provided using criteria of whether or not performance furthers the vision—Q11 progress.

#### *Impact on flexibility*

- States the end, but generally gives people plenty of leeway to device their own means—Q3 opportunity to do best.

- Gives people the freedom to innovate, experiment, and take calculated risks—Q12 learn and grow. (pp. 83-84)

The *visionary* style can be overused, however. For instance, Goleman (2000) states that it doesn't work in a setting where the leader is trying to influence experts or peers more experienced than he or she is. This ruins the egalitarian spirit of such a team. Goleman et al., (2002) states that the *visionary* style is a good approach when changes require a new vision, or a clear direction is needed (p. 55).

### *Affiliative Style*

The *affiliative style* leader believes that others come first. This leadership style is highly empathetic to others' individual needs. A leader that uses the affiliative style values individuality and emotion more than task and goals. The affiliative leader creates team member loyalty by building strong emotional bonds with individuals. Consider the following attributes of the affiliative style given by Goleman et al. (2002) and their affects on climate and how it might connect with Q12®. Again, I will come back to these connections again in the discussion section of this paper.

### *Impact on flexibility*

- Trust creates better sharing of ideas and inspiration—Q10 best friend.
- Doesn't impose unnecessary strictures on how things should get done. Instead, gives people freedom to do job in the way they think is most effective—Q7 opinion seems to count.

### *Impact on rewards*

- Provides ample positive feedback and recognition—Q4 recognition.

### *Impact on commitment*

- Affiliative leaders are masters at building a sense of belonging (ex. Having meals with reports to see how they are doing)—Q5 care about me.

(p. 84)

Goleman (2000) states that the *affiliative style* is a good approach when trying to build team harmony, increase morale, improve communication, or repair broken trust (p. 84).

### *Democratic Style*

The *democratic* style is an important tool when leaders are striving for employee buy-in. It works as a consensus building style for the most part. Goleman (2000) concludes that by spending time with the employees to get input, the leader “builds trust, respect, and commitment” with employees (p. 85). However, Goleman (2000) indicates the *democratic* style does not work well in some circumstances, and it does have negative consequences, such as “endless meeting where ideas are mulled over, consensus remains elusive” and “put off making crucial decisions” (p. 85). This style should never be used when the team is too inexperienced to provide sound advice. Consider the following attributes of the *democratic* style given by Goleman et al. (2002) and their affects on climate and how it might connect with Q12®. Again, I will come back to these connections again in the discussions section of this paper.

### *Impact on flexibility and responsibility*

- By spending time getting people’s ideas and buy-in, a leader builds trust, respect, and commitment—Q7 (opinions count). (p. 85)

Goleman (2000) states that the *democratic style* is a good approach when a “leader is uncertain of best direction to take and need ideas and guidance from able

employees.” It also offers a leader with a “strong vision” the opportunity “to generate fresh ideas for executing that vision (p. 85).

### *Coaching Style*

The *coaching* style is used the least of all the styles, but can have the greatest long-term impact. When leaders use the *coaching* style they help employees identify and develop their unique strengths, and then they relate them to the individual’s personal and professional development. Goleman et al. (2002) states that they “encourage employees to establish long-term development goals and help them conceptualize a plan for attaining them” (p. 61). Because of this long-term development, leaders will often forgo immediate results and allow the individual to make mistakes for the benefit of learning and long-term growth. It has a positive effect on performance, because there is constant dialogue and that tends to push every climate driver in a positive direction. The *coaching* style also lends itself well to delegating. Because of this employees are usually more receptive to being given challenging tasks and finding a way to meet them.

The most effective competencies of the coaching style are empathy and emotional self-awareness. This creates an authentic leader that keeps the interests of others front and center. When speaking of what makes a good coach, Goleman et al. (2002) had the following to say, “Good coaches, therefore, often ask themselves: Is this about my issue or goal, or theirs? Coaching’s surprisingly positive emotional impact stems largely from the empathy and rapport a leader establishes with employees. A good coach communicates a belief in people’s potentials and an expectation that they can do their best” (p. 62).



This rapport and caring approach often motivates employees to achieve higher standards than they otherwise would. The authors contend, “Coaches are also good at delegating, giving employees challenging assignments that stretch them, rather than tasks that simply get the job done” (p. 61). It is because of this that good leaders will boost individual’s self-confidence.

The downfall of coaching is that if it is done wrong, it starts to feel like micro managing from the employee’s perspective. Goleman (2000) says that coaching is not effective “when employees, for whatever reason, are resistant to learning or changing their ways” (p. 87). Many leaders confuse pacesetting for coaching. Because of this, they tend to concentrate exclusively on things like sales goals and more short-term goals that increase the tendency for leaders to tell employees how to do their job. Instead, it’s best to tell them what to do, and coach the employee to develop their strengths and skills. Consider the following attributes of the *coaching* style given by Goleman (2000) and their affects on climate and how it might connect with Q12®. Again, I will come back to these connections again in the discussion section of this paper.

*Impact on responsibility and clarity*

- Ongoing “dialogue” guarantees that “people know what is expected of them” and how their work fits into a larger vision or strategy—Q6 (encourages development) and Q1 (know what’s expected).
- Helps employees identify and utilize their personal strengths—Q6 (encourages development) and Q3 (opportunity to do best).
- Quick and constructive feedback—Q5 (cares about me).

*Impact on commitment*

- Style's implicit message is "I believe in you, I'm invested in you, and I expect your best effort"—Q10 (best friend) and Q6 (encourage development). (p. 87)

Goleman et al. (2002) states that coaching is a good approach when used: "to develop an employee, improve performance or develop long-term strengths" (p. 55).

Recently, coaching is becoming an evermore-popular approach to developing individuals for long-term success. Because of this trend, there have been numerous studies done on its effectiveness. Good (1993) "found that the time commitment a superior manager makes to coaching impacts the benefits received by salespeople, their skill development, and the perceived risk of failure" (p. 74). Good (1993) sent out 950 questionnaires to sales managers throughout the country, 171 were returned, and 147 were identified as being suitable for use in this study" (p. 78). This return rate was 15.47 percent (Good, 1993, p. 78). The purpose of the survey was to determine the correlation between the amount of time leaders spent coaching and the performance of those being coached. Good (1993) explains that managers were asked, "the percentage of time a 'top' sales manager should spend coaching salespeople" (p. 78). The influence of time commitment to coaching was examined through a series of questions on the four constructs: sales skills, benefits of coaching, situational factors, and the risk of sales call failure. Good (1993) explains that these "four constructs were determined using Likert-type questions, with a five-point scale (1-very unimportant; 2-unimportant; 3-neutral; 4-important; 5-very important)" (p. 79).

Good (1993) found that "improvements in the commitment a manager makes to coaching his/her subordinates, should subsequently result in an increase in long term outcomes of the salesperson" (p. 80). He also found that the application of sales

coaching by a manager was equally important and there were many “environmental factors” that were also at play (such as size of territory) (Good, 1993, p. 78). These environmental factors were part of the questionnaire. For instance, the highest situational factors to impact the amount of contacts a manager made to a sales person were based on “experience of salesperson” and “if fewer salespeople” were directly reporting to the manager (Good, 1993, p. 79). Good (1993) found that managers believed “the number of contacts should vary based on the experience of salesperson” (p. 79). So, if a manager had a very experienced staff it would affect the needed time for coaching, versus if a manager had a relatively inexperienced sales staff.

In the end, Good (1993) found that adapting “to the needs and expectations” of the individual and expanding a manager’s “one controllable asset (time commitment),” the leader could have positive effects on performance through coaching (p. 81). Good (1993) finishes by saying, “coaching is a complex interchange between several parties, and its continuation represents the basic need to improve performance. It is a commitment of vital resources (the time of the manager) that should not be viewed lightly” (p. 81). This suggests that because a manager has limited time and the amount of coaching contacts does seem to improve performance, organizations should consider the return on investment when it comes to coaching and the number of directs a manager has. If a manager has too many directs this limits the coaching possibilities of the manager and ultimately the performance of each individual. The impact of the time a manager has to coach seems especially important when we look back on the positive affect strengths awareness and development has on performance and its use in the coaching process.

The quality and modification of the *sales manager-salesperson interaction* has also been found to impact sales performance. According to Cadogen and Simintiras (1994) part of this interaction needs to include observation of the salesperson's behavior (p. 611). Salesperson behavior sets the stage for a response from the customer, and observation allows for feedback, thus impacting the employee-customer encounter. In their study, Cadogen and Simintiras (1994) discovered that, within the *sales manager-salesperson interaction* behaviors that were given, the least feedback or reinforcement received the lowest priority from the salesperson. For instance, Cadogen and Simintiras (1994) found there was a positive correlation between "feedback on sales performance and face-to-face contacts with prospective accounts" (p. 614).

The Cadogen and Simintiras (1994) research was conducted in two sales regions of a large office equipment sales organization. The subjects were two regional sales managers and 14 salespersons. Sales people were randomly assigned to a control group and the rest to an experimental group. Cadogen and Simintiras (1994) explain, "The first task was to identify those behaviors that may require change and to uncover performance standards for these behaviors" (p. 609). Self-reporting was used as the data collection method. One of the problems Cadogen and Simintiras (1994) identifies with this method is that "it is considered to be a performance-enhancing behavior in itself" (p. 609).

Though at fourteen, the sample size does limit generalizability, there is an important aspect to take away from it. The general findings in the report do corroborate other findings within this literature review that consistent feedback and positive reinforcement of good behaviors, which are both important qualities of effective coaching, do lead to increases in performance.

The content of sales and customer service coaching has been found to be an important sales development variable as well. Campbell et al. (2006) suggest that coaching should include sociolinguistic behaviors, such as “overcoming objections,” because these skills are essential in moving the relationship “beyond the exploration phase” (p. 359). These skills ultimately impact performance.

Others have found another type of training that transforms performance. Rather than skills or product training, Leach et al. (2005) have found that self-regulation training or training that concentrates on developing an individual’s “perseverance, self-regulation, emotional intelligence, and social awareness” are just as important to sales performance (p. 269). Leach et al.’s (2005) “proposed model investigates self-regulation training’s impact on the development of self-regulation capabilities and the subsequent impact that these capabilities have on sales performance” (p. 270). The self-regulation training, which often is in the form of coaching, enhances self-regulatory capabilities, motivation control and emotional control; while also reducing the role ambiguity an individual feels, and will increase sales performance (Leach, et al. 2005, 270).

Leach et al. 2005, see self-regulation coaching as being essential to successful sales performance. Leach et al (2005) found that self-regulation training could have a positive impact on a salesperson’s ability to cope with inevitable job-related failures or setbacks by facilitating the emotional intelligence of the salesperson to work through these challenges (p. 270). Some of the self-regulation training that Leach et al. (2005) found to be the most successful centered on “self-monitoring daily progress, time management, and persistence of working toward daily goals” (p. 271). The research design of Leach et al, (2005) was made up of 2000 “randomly generated” “life insurance

sales personnel” from a pool of 47,807 salespeople (p. 272). In the end, Leach et al. (2005) support not only the idea that coaching can be an important part of the leaders arsenal to improve employee performance, but that raising emotional intelligence in individuals also has an ensuing effect.

Rich (1998) states, “sales coaching has long been cited by sales professionals as a critically important means used by sales managers to enhance the performance of their salespeople” (p. 53). After a review of “a number of popular press articles and books” on the subject of coaching, Rich (1998) found that “practitioners typically discuss sales coaching as a multidimensional activity consisting of three core constructs: supervisory feedback, role modeling, and salesperson trust in manager” (p. 53). Furthermore, as part of the sales coaching content, Rich (1998) found behavioral feedback, role modeling, and trust to be “distinctly different than praising” the results of a salesperson (p. 61). Rich (2005) goes on to say that “recognizing appropriate behavior is an empowering supervisory action in that it gives salespeople confidence that they are approaching their job in the correct manner, and thus have the skills to succeed” (p. 61). The importance of this discovery is that it seems to relate directly back to the Q12 questions, Q3 (At work, I have the opportunity to do what I do best every day) and Q12 (In the last year, I have had opportunities to learn and grow).

In all, the literature on coaching seems to establish its importance in the development of employees, and is directly related to performance. Though coaching’s overall purpose is long-term development, its contents tend to differ depending on the situation and the purpose and needs of the individual being coached. Overall, the

literature supports the importance coaching has on creating emotional intelligence in the work place and increased performance.

### *Dissonant Styles*

The dissonant styles generally have less positive impact on the six business climate factors. This is because they tend to be more about directing rather than involving others rather than the other styles. The dissonant styles are commanding and pacesetting.

#### *Commanding Style*

The commanding style should be used with caution, because of its often-negative effect on climate. Leaders using the commanding style demand “immediate compliance with orders” (Goleman et al., 2002, p. 76). Often this style erodes peoples’ satisfaction with work, because it rarely is accompanied with praise and recognition. In order for the commanding style to be implemented properly, Goleman et al. (2002), states there are six emotional intelligence competencies that a leader using this style must draw on:

influence, achievement, initiative, self-awareness, emotional self-control, and empathy (p. 79). The last three are essential to keep the commanding style leader on track.

Because leaders who use this style have a tendency toward anger and impatience, perhaps the most important competency, Goleman suggests, is emotional self-control. If anger is followed up with disgust, the results can be disastrous.

The commanding style can be used to great efficiency in the right circumstance. Goleman et al. (2007) suggests that the commanding style should be used “judiciously,” but does have an important role in the EI leader’s repertoire (p. 78). This style can be effective to change business habits or shock employees to a reality of a situation or new

ways of doing things. A leader using this style must be careful not to attack the people, but rather he or she should attack the culture in order to create change. Goleman (2007) concludes, though, that continuous use of the commanding style can be ruinous to an organization (p. 79). Consider the following attributes of the commanding style given by Goleman (2000) and their affects on climate and how it might connect with Q12®.

*Impact on flexibility*

- The leader's extreme top-down decision-making kills new ideas on the vine—Q7 (my opinion seems to count) (negative impact).

*Impact on responsibility*

- Unable to act on own initiative, they (employees) lose their sense of ownership and feel little accountability for their performance—Q3 (opportunity to do best) (negative impact).
- Creates a sense of urgency when needed in a crisis or employee's performance is at crucial state—Q1 (know what is expected of me) (positive impact).

*Impact on rewards*

- Commanding style erodes pride—Q7 (quality work) (negative impact).
- Undermines leader's ability to motivate by fitting individual's job into grand, shared mission—Q8 (mission/purpose) (negative impact). (p. 82)

*Pacesetting Style*

With the *pacesetting* style, the leader basically leads by example. Sounds great, right? Not, exactly. The pacesetter sets the bar extremely high and then expects everyone else to follow with the same performance. They want to do things better and faster and are always looking for new ways to achieve it. The problem happens when the



pacesetter locates those that are lagging behind and demands more, and when they fail to deliver, he or she lets them go and finds someone to replace them.

According to Goleman (2000) this cycle destroys climate in an organization, because “employees feel overwhelmed by the pacesetter’s demands for excellence, and their morale drops” (p. 86). The leader may think they’re providing clarity around what is expected but they are not. Goleman states that the leader usually “expects people to know what to do and even thinks, ‘If I have to tell you, you’re the wrong person for the job’” (p. 86). It becomes difficult for people to do their best, because they are wondering what the leader expects of them.

That’s not to say that the pacesetting style cannot work. It can. It works well when the team is a highly motivated and competent, a team that needs little direction. When given this type of team, the pacesetter gets things done on time and in a proficient manner. Goleman (2000) warns, however, “pacesetting should never be used by itself” (p. 86). It works best when used with *visionary* and *affiliative* styles. In order to be successful at pacesetting, Goleman et al. (2002) state you have to have the following competencies: achievement, initiative, empathy and self-awareness (p. 74). Consider the following attributes of the *commanding* style given by Goleman (2000) and their affects on climate and how it might connect with Q12®.

*Impact on flexibility and responsibility*

- People feel the pacesetter doesn’t trust them to work in their own way or to take initiative—Q4 (recognition) and Q3 (do what I do best) (negative effect).

- Pacesetter either gives no feedback on how people are doing or jumps in to take over when he thinks they're lagging—Q11 (talked to me about my progress). (p. 86)

#### *Impact on commitment*

- Leader often only driven by numbers—Q5 (cares about me) (negative effect).

In the end, the literature on EI leadership makes a strong case for the use of the EI leadership styles as a whole. Goleman et al. (2002) state that, “resonant leaders (those using all four of the resonant leadership styles) play a key role. In general, the more emotionally demanding the work, the more empathic and supportive the leader needs to be. Leaders drive the service climate and, thus, the predisposition of employees to satisfy customers” (p. 17). The predisposition that leaders can create through using the right EI leadership style at the right time is in line with HumanSigma and the idea that engaged employees create engaged customers through emotional encounters. Throughout the EI styles is the theme of leading people by helping them understand their strengths. We especially see this strength-based leadership in the coaching and affiliative styles. So, we will now look at the importance strengths plays in this role.

#### *Resonant Leadership*

Before I go into the process of resonance and renewal, the reasons for resonance and renewal need to be explored first. Boyatzis and McKee (2005) interpret the need for resonance and renewal as being due to the “Sacrifice Syndrome” or when leaders “slip into internal disquiet, unrest, and distress” (p. 6). They describe the reasons for the Sacrifice Syndrome as the following:

Leadership is the exercise of power and influence—and power creates distance between people. Leaders are often cut off from support and relationships with people. Our bodies are just not equipped to deal with this kind of pressure day after day. Over time we become exhausted—we burn out or burn up. The constant small crisis, heavy responsibilities, and perpetual need to influence people can be a heavy burden, so much so that we find ourselves trapped in the Sacrifice Syndrome... (p. 6)

How do leaders keep from falling into the Sacrifice Syndrome trap? Leaders must renew themselves, and Boyatzis and McKee (2005) have found that renewal process must include three key components, “mindfulness, hope, and compassion” (p. 73). Mindfulness is defined as “living in a state of full, conscious awareness of one’s whole self, other people, and the context in which we live and work” (Boyatzis and McKee, 2005, p. 8). Hope “enables us to believe that the future we envision is attainable, and to move toward our visions and goals while inspiring others toward those goals as well” (Boyatzis and McKee, 2005, p. 9). Compassion occurs when “we understand people’s wants and needs and feel motivated to act on our feelings” (Boyatzis and McKee, 2005, p. 9). A leader’s ability to act on their feelings in a compassionate and caring way is an essential piece on EI leadership and the competency categories of self-management, self-awareness, and social awareness. These competencies are all interconnected and the three key components of mindfulness, hope, and compassion seem like productive places to start.

How do these three components work within the renewal process and creating resonance? Boyatzis and McKee (2005) explain the first key component, mindfulness, as

the piece that “enables us to pay attention to what is happening to us, and to stop the Sacrifice Syndrome before it stops us” (p. 73). The authors say that many leaders are “often advised to focus on the rational mind and on the mechanics of business—planning, organizing, and controlling resources”, but are “told to ignore the body, heart, and spirit or, better yet, leave them at the front door when entering the office” (p. 73). They state that because leaders are “bringing only parts of ourselves to work,” they feel a “disconnection” with themselves, colleagues, customers, and families (p. 74). The end result is “increasing isolation and dissonance” (p. 74). This is why it is imperative to be mindful of our surroundings and ourselves in order to make sure that the whole of the leader is present. Only then can resonance occur. The exercises proposed by Boyatzis and McKee (2005) to assist in creating mindfulness are as follows:

- Name That Feeling- This is not about analyzing, but rather just about naming one’s feelings. This is to better understand your feelings on the spot, thus making you more emotionally intelligent. (p. 145)
- Watch, Look, and Listen- This is tricky because often people will confuse their own emotions with that of others. This works by writing down the reaction of people you are in regular contact with and then observing them when you are talking with them. The last piece is to name the emotions you believe those individuals were going through when talking to you. (p. 145)
- Check It Out- In this step the leader asks those they have been observing to name the emotions they have been going through in certain situations. This can be done directly or nonchalantly. (p. 146)

Boyatzis and McKee (2005) state that positive emotions provoke renewal and “the experiences of hope and compassion actually cause changes in our brains and hormones that allow us to renew our minds, bodies, and hearts” (p. 75). They go on to explain that when experiencing hope, “we feel excited about a possible future” and hope “engages and raises our spirit and mobilizes our energy” (p. 75). It would seem then that hope would be the groundwork creating the engagement talked about in the Q12 discussion earlier. Hope creates a positive vision of current expectations and the overall vision and mission of an organization- this is in line with Q1 (I know what is expected of me at work) and Q8 (The mission and purpose of my company makes me feel my job is important). The exercises proposed by Boyatzis and McKee (2005) to assist in creating hope are as follows:

- My Hopes and Dreams-What and where would your ideal life be in ten to fifteen years? This includes the environment you’re in and the people you would be around. Also, what would a typical day look like? (p. 173)
- What I Want to Do at Some Point in the Future? - This consists of listing those things you want to do before you die. It is important to think big and not constrain yourself to present limitations. (p. 173)
- What Would I do If...- Imagine you have no financial constraints, because you just inherited a large sum of money. How would your life and work change? (p. 174)
- Look for Themes - By understanding your themes you can understand what is most important to you about your dream of the future. (p. 174)

Compassion as a source of renewal occurs when “we are in tune with the people around us” (Boyatzis & McKee, 2005, p. 77). Compassion is contagious; much like hope is, as well. This is an important piece of renewal, because “as much as we need to show compassion in order for renewal to take place, we also must receive it” (p. 77). Boyatzis and McKee define compassion as a “combination of deep understanding, concern, and a willingness to act on that concern for the benefit of oneself and others” (p. 77).

Compassion is an area where intentions are hollow unless acted upon.

Boyatzis and McKee (2005) explain that their work has shown “that one way compassion can spark renewal is through coaching” (p. 192). They go on to state that, in 2002, an “estimated 59 percent of organizations were offering coaching or developmental counseling to their managers and executives” (p. 192). Coaching creates compassion because “someone coaching another person—essentially giving of him- or herself to help develop someone else—is exhibiting a high form of compassion indeed” (p. 193). They list three major benefits of coaching:

- 1) Leaders are less focused on themselves.
- 2) They are more open and in touch with people and issues around them, thereby avoiding isolation and CEO disease.
- 3) They experience regular renewal, which they need to sustain themselves and their effectiveness, and to stem the effects of the Sacrifice Syndrome. (p. 193)

Another exercise proposed by Boyatzis and McKee (2005) to assist in creating compassion is as follows:

- Who Helped Me? A Three Part Exercise. Part A involves thinking about the people about whom you would say, “without this person, I could not have

accomplished or achieved as much as I have” (p. 198). Part B asks you to think of the people who tried to help, manage, or coach you over the last two years. What did they say or do? And, Part C requires you to reflect on these two groups of people and how they affected you, ask yourself, “What are the differences?” (p. 199). What the authors found was that when leaders went through this analysis, those coaches and mentors that had a positive impact on individuals helped them re-create a new ideal self or personal vision, worked on a sense of hope, endorsed strengths and capability in areas they doubted or never considered, and improved their mindfulness (Boyatzis & McKee, 2005, p. 199). Mainly, Boyatzis and McKee, (2005) found that these people were part of a resonant relationship (p. 199).

The exercises provided by Boyatzis and McKee, (2005), to help leaders create and sustain resonance in their life are as follows:

- Is that a Wake-up Call? – This is really about being mindful of what is happening in your life and how a leader feels. For instance, are there life events that have occurred such as divorce or promotion or a move? These are good indications that there is a wake-up call and a need for renewal. (p. 81)
- Your Moral Core - A leader’s ability to understand his or her own values, beliefs, and desires is essential to creating mindfulness in one’s life. (p. 83)
- Rhythms in My Career(s) – When a leader sees changes in how they are approaching work in a timeline, that usually helps them see a wake-up call or a transition period. (p. 85)

- Rhythms in My Life - Within this exercise, an individual looks at everything from spiritual and emotional events in their life to hobbies and financial events as well. This allows for people to understand where they are in their current rhythm and when they should listen for a wake-up call. (p. 85)

In the end, we see resonant leadership as described by Boyatzis and McKee (2005) as really about being mindful of ourselves and how we react to the world and sensitive to the differences in how others react to the world. Boyatzis and McKee (2005) describe the renewal journey as a five-step process called Boyatzis's Intention Change Theory and it is as follows:

1. My ideal self—who do I want to be?
2. My real self—who am I? This includes my strengths—where my ideal and real self overlap and my weaknesses—where my ideal self and the real self differ.
3. My learning agenda—building on my strengths while reducing gaps.
4. Experimenting with new behavior, thoughts, and feelings and this includes practicing the new behavior, building new neural pathways through to mastery.
5. Developing trusting relationships that help, support and encourage each step in the process. (p. 89)

As we can see, this change and renewal cycle is similar too much of the Gallup Strengths-based development that I've previously discussed. The one difference is that, with resonant leadership, there is an extra emphasis on developing trusting relationships that create resonance.



*Managing Oneself*

Peter Drucker provides another means of understanding strengths self-awareness in leadership. According to Drucker (1999), “The only way to understand our strengths is through feedback analysis” (p. 66). Drucker (1999) explains this process as the following: “Whenever you make a key decision or take a key action, write down what you expect will happen. Nine or 12 months later, compare the actual results with your expectations” (p. 66). This process will allow the individual to better understand where expectations and results merge, thus uncovering their strengths. Drucker states that it is imperative for you to “work on improving your strengths” (p. 66). The feedback analysis will help you “discover where your intellectual arrogance is causing disabling ignorance and overcome it” (p. 66). Drucker adds “it is equally essential to remedy your bad habits” (p. 66).

Drucker (1999) ties a person’s strengths to how they perform or “how they get things done” (p. 67). Drucker (1999) explains that how someone performs is unique, just like someone’s strengths (p. 67). According to Drucker (1999), the first thing you need to know in order to understand how a person performs is whether they are a “reader or a listener” (p. 67). He explains the reader/listener theory with a story of Dwight Eisenhower. According to Drucker (1999), when Eisenhower was a General during WWII, he had great press conferences where “he was able to describe a situation and explain a policy in two or three beautifully polished and elegant sentences”(p. 67). The press loved him. Drucker (1999) goes on to explain later, when Eisenhower was president, his old “admirers held President Eisenhower in open contempt,” because, in his press conferences as president, Eisenhower stumbled over his words and was unable to

answer questions directly (p. 67). What changed? Drucker (1999) states that this change was due to Eisenhower not realizing that he was a “reader, not a listener” (p. 76). When Eisenhower was a General he had the questions that were going to be asked at the press conference ahead of time and was able to formulate the right response. Later on, President Eisenhower didn’t set up press conferences the same way. Instead, he set the press conferences up the same way his predecessors, Franklin D Roosevelt and Harry Truman, did. Drucker (1999) states that both of these men were “listeners” and they knew it (p. 67). So, as a reader, it was very difficult for Eisenhower to hold a press conference without first being able to read the questions and have a ready answer at time of the conference rather than formulate an answer off the cuff that a listener might be able to do. Drucker’s point here is that the ability to achieve, as we can see by how well these presidents did in office, is largely due to their ability to understand how they perform and structure their jobs around this mode of performance.

Drucker (1999) also ties how a person learns to their ability to perform. He states that, “Of all the important pieces of self-knowledge, understanding how you learn is the easiest to acquire” (p. 68). Drucker’s (1999) examples of the way people learn are by writing, taking notes, doing, or hearing themselves talk (p. 68). Drucker (1999) states that he himself learns by hearing himself talk, whereas Churchill learned by writing (p. 68). This seems obvious when one thinks of the numerous volumes Churchill wrote in his time.

Understanding the learning style of an individual and oneself coincides with Buckingham (2005) when he states, “staying attuned to each employee’s style or styles will help focus your coaching” (p. 77). He goes on to name the three learning styles as:

analyzing, doing, and watching (Buckingham, 2005, p. 78). People who learn through analyzing need to take apart the steps of a task or idea and reconstruct it in order to truly learn and understand it. The analyzers' most "powerful learning moment" occurs "prior to the performance" (Buckingham, 2005, p. 78). Doers are just that. They learn during the performance or task. Watchers, according to Buckingham (2005), "won't learn much through role-playing. They won't learn much by doing, either" (p. 78). Instead, they learn through watching the task being performed correctly. In order to properly coach and understand an individual's potential, it is important for a manager to understand the preferred learning method or methods an individual uses. This is equally important for a manager to understand about themselves, as well.

Drucker's (2005) ideas are similar to the talent and strength driven management theory of Buckingham and the self-awareness aspect of Goleman et al (2002). Drucker (2005) exhibits this similarity when he states that talent must be developed and he provides a seven-step plan for that development:

- 1) What are my strengths? People cannot build performance of weakness. A person can perform only from strength. They must learn their strengths and work from a place of strength. A person needs to know their strengths in order to know where they belong.
- 2) How do I best perform? How a person performs is unique. It is a matter of personality. Formed long before you ever go to work. This is very important for a knowledge worker. A person can only find results in what they're good at.

- 3) What are my values? This is more than ethics. It is the person you want to see in the mirror everyday. Values are unique to each individual and they must match those of the organization in which they work or they won't perform well in that organization.
- 4) Where do I belong? The first three must be known before this one can be discovered. Knowing where you belong transforms you into an outstanding performer.
- 5) What should I contribute? Given my strengths, performance style, and values, how can I make the greatest contribution to what needs to be done? This question will provide a course of action.
- 6) Am I responsible for relationships? Managing yourself requires taking responsibility for relationships. This has two parts. First, you must know the strengths, performance modes, and values of your co-workers and boss. Second, you need to communicate effectively.
- 7) What will I do next? Today managing yourself often leads to a second career...Since you can expect to have setbacks, having a second interest is vital. (p. 13)

Drucker's steps support much of the Gallup Q12 research and strengths-based leadership and Goleman, Boyatzis, and McKee's Resonant Leadership. For starters, the "where do I belong" portion of Drucker's steps directly reflects the third section of Q12 questions. Just as Gallup puts understanding strengths before understanding where a person belongs, Drucker does as well. Drucker explicitly makes the point that one must

understand their strengths and how they might be incorporated into the position before contemplating whether or not he or she belongs in the organization.

Drucker's sixth step is consistent with both strengths-based leadership and resonant leadership theory. First, when Drucker states that leaders are responsible for knowing the strengths of others, he is ultimately speaking to the first piece in helping people feel strongly about Q3 (At work, I have the opportunity to do what I do best every day). Second, the need to communicate effectively, as Drucker mentions, is really what EI leadership theory is all about. It's about using the right leadership style in the right situation and thus building strong healthy relationships that allow for great performance.

Finally, the values piece of Drucker's steps is especially important in the resonant leadership process as it relates to creating resonance in our relationships. The reason values are important, Drucker (1999) explains, is that "What one does well—even very well and successfully—may not fit with one's value system" (p. 70).

### Research Questions

The purpose of this research is to better understand the answers to three questions, as they apply to a specific financial institution:

1. What drives employee performance?
2. How can leaders impact those drivers?
3. How do leadership styles create an environment that fosters high performance?

To answer the first question, I examine the relationship between Gallup Q12 data and performances measures at the financial institution. To answer the second and third questions, I built a leadership model based on the review of literature.

These three questions, I believe, offer a foundation and structure for performance leadership. When asking what drives performance, I am looking at this from the employee perspective. What does an employee need in order to perform at a high level, or what issues must be addressed to drive performance? Do these issues provide insight into what leadership behavior might impact performance? And, what leadership styles address these issues and facilitates these behaviors?

Though there is an abundance of research on the subject of performance leadership, it is still unclear how well it applies to this specific organizational context. Because of this, my goal is to create a cohesive structure to guide leadership behavior for this institution. Before I go any further I need to define a few of the key terms used.

The three key terms used within this study are drivers, impact, and styles. *Drivers* are specific employee perceptions or understandings that influence performance, and can be affected by leadership behavior. *Impact* refers to a change in the employee's performance. Finally, *styles* refer to specific behaviors a leader exhibits. Styles are essential in this study, because the real focus here is on the impact leadership behaviors have on performance. All of these terms are used throughout this research.

The final product of this study is a model that incorporates some of the best research on performance leadership. The model will describe the leadership behavior and its impact on employee performance and the issues that drive performance.

I will use these data to determine what issues drive performance and what leadership behaviors have the greatest impact on individual performance. I will also try to determine how they relate to leadership styles using the emotional intelligence model.

### Methodology

This quantitative study investigates the relationship between certain leader characteristics and employee performance in a sample of business units in a financial services setting. I focus on what impacts performance and what issues leaders should concentrate on to impact performance.

### *Sample*

The sample includes 33 store managers and 522 personal bankers and tellers working for a major financial services company. This is an average of 16 bankers and tellers from each business unit that participated in the survey. The company is a nationally known company that provides investments, banking, insurance, business support, and mortgages. The managers and bankers are spread over 33 stores in a specific Midwest metropolitan market.

### *Measurement*

There are two principle measures used in this study: performance and leadership behavior. Both measures are regularly reported at this financial institution. Data for the third quarter of 2006 were used for this analysis.

*Performance* of each business unit or branch is measured using the percentage of the business units overall financial goal that is achieved. That goal includes the exact same 5-point matrix for each store and is adjusted for the size and traffic of the business unit. The 5-point matrix includes the following measurements: average daily solutions, daily profit, total referrals to partners (investments, insurance, and mortgage), deposit packages sold, and loan units. Solutions are defined as products sold: debit card, checking account, credit card, loan, or referral to investment consultant. Daily profit is

calculated using a profit proxy for each product sold and is the same for all the stores. For instance, a free checking account may have a profit proxy of \$50. Though each manager has different goals, these goals are seen as equivalent by using store deposit volume, store deposit transactions, and loan volume compared to the goals set for the store. For this study each manager's effectiveness is determined by the aggregate of their bankers' performance. This data were available for all 33 stores.

*Leadership behaviors* are measured using Gallup's Q12 Survey, extensively described in the literature review. For the data collected for this study, the participation rate was 92% for bankers and tellers. A meta-analysis of both quantitative and qualitative data revealed twelve issues or questions that directly impact the four criteria for unit success: profitability, productivity, customer loyalty, and employee retention. The Q12 survey measures 12 issues and determines the amount of overall engagement an employee has toward their work life. This survey is from the point of view of the subordinate looking at their immediate leadership. The Q12 survey has been tested and used with over 105,000 employees in order to measure employee engagement. Gallup has been able to link the engagement question in the Q12 to important business outcomes such as productivity and profitability. Gallup measures dimensions that leaders have direct impact over and can influence.

The Q12 survey data are reliable and valid. According to Thackray (2005), the Q12 survey has been given to 1.5 million of participants and 87,000 work groups. The amount of test and retesting of these two surveys ensures the content validity of both. The limitations of the survey are in the vagueness of some of the questions themselves. Though the questions ask about feedback and career development, the survey does not



directly point these questions toward the direct manager or leader. Rather these questions bring up topics, such as feedback and development that the leader has direct ability to influence.

#### Data Collection Procedures

Safeguards were put in place while using these data to protect participant confidentiality. The surveys are done in a completely anonymous method. The only thing that is revealed is the location where the banker works. The specific locations and branch managers for those locations are not disclosed in this research.

#### *Data Analysis*

Data are analyzed at the branch level; the aggregate and individual scores for the bankers' and tellers' Q12 assessments at each branch and the performance measures of the branch during the same quarter provide the primary data. In order to analyze the data, I've chosen to use the Pearson correlation as my statistical technique for this study. The Pearson correlation was selected because it is most often "used when you want to explore the strength of the relationship between two continuous variables" (Pallant, 2005, p. 95). For this study the two sets of variables will be the store performance and leadership behaviors.

The leadership behavior data collected for this study are identical to that collected for the Gallup research; however, store performance measures do differ from the Gallup measures for productivity and profitability. Gallup uses a year over year sales increase as its definition of profitability. Productivity "consisted of either revenue figures, revenue-per-person figures, revenue per patient, or a managerial evaluation which was based on all available productivity measures and management judgment as to which business units

were most productive” (Buckingham, et al., 1999, p. 258). Because the data I am using is an aggregate of revenue-per-employee or sales-per-employee within each business unit, I will compare my findings with Gallup’s Q12 correlation findings for both productivity and profitability.

Since each business unit already had the increase built in to their goals, based on the individual circumstances of the business unit, it was my thought that it was unnecessary to differentiate between productivity and profitability. The reason this is an important distinction is because some business units had sales plans that may have been too low due to expansion in those areas and others too high due to stagnant growth in the area. The year over business plans for each business unit already account for these idiosyncrasies and, therefore, seem to be a more accurate representation of profitability than straight year over year sales differences.

Productivity, if you remember, “consisted of either revenue figures, revenue-per-person figures, revenue per patient, or a managerial evaluation which was based on all available productivity measures and management judgment as to which business units were most productive.” (Buckingham, et al., 1999, p. 258) Because the data I am using is an aggregate of revenue-per-employee or sales-per-employee within each business unit, I have decided to match my findings with Gallup’s Q12 correlation findings for both productivity and profitability using the Pearson Correlation.

## Results

The first research question focuses on the leadership behaviors that drive performance. Table 1 reports the Pearson correlations between leadership behaviors, as measured by the Q12 survey, and performance. A high correlation is considered

anything over the .425 and a moderate correlation is considered anything from .300 to .425.

As you can see in Table 4, there are four Q12 items with high, positive correlations and four with moderate correlations. Four of the eight are part of base camp and camp one (Q01-Q04). The Q12 issue with the highest correlation is Q03 (At work, I have the opportunity to do what I do best). The second highest correlation is Q08 (The mission or purpose of my company makes me feel my job is important). The third highest is Q12 (In the last year, I have had opportunities at work to learn and grow). And the last high correlation found in this study of the Q12 issues was Q01 (I know what is expected of me at work). There was a moderate correlation between the business unit's performance and the following Q12 issues: Q00 (Overall satisfaction), Q02 (I have the materials and equipment to do my work right), Q04 (In the last seven days, I have received recognition or praise for doing good work), and Q07 (At work, my opinions seem to count). Two of these (Q02 and Q04) are part of base camp and camp one.

Table 4: Correlations Between Leadership Behavior and Performance

Leadership Behavior	Correlation with Performance	n
Q00- Overall Satisfaction	.316*	33
Q01- Know what's expected	.442**	33
Q02- Have material &	.348*	33
Q03- Opportunity to do best	.580**	33
Q04- Recognition	.305*	33
Q05- Cares about me	.149	33
Q06- Development	.143	33
Q07- Opinions count	.364*	33
Q08- Mission/purpose	.492**	33
Q09- Employees committed to quality	.259	33
Q10- Best friend	.188	33
Q11- Progress	.136	33
Q12- Learn and grow	.455**	33

\* Correlation is significant at the 0.05 level (1-tailed).

\*\* Correlation is significant at the 0.01 level (1-tailed).

### Conclusion and Discussion

Overall, this study supports the general findings of the Gallup database research. Though there are some differences in specific outcomes, there were many similarities that allow us to make some conclusions and help us build a leadership model for this institution. For instance, it seems there is enough evidence that there is some predictor of performance based on the team member's ability to do what they do best every day. This is based on the combined evidence of Gallup's research and the current study.

Table 5: Comparison of Current Study and Gallup Findings

Q12 Item	Current Study	Gallup Studies	
		Productivity	Profitability
Q00-Overall satisfaction	X		
Q01-Know what's expected	X	X	
Q02-Materials and equipment	X		
Q03-Opportunity to do best	X	X	X
Q04-Recognition	X		
Q05-Cares about me			X
Q06-Encourages development			
Q07-Opinions count	X	X	
Q08-Mission/purpose	X	X	
Q09-Committed to quality		X	
Q10-Best friend at work			
Q11-Talked to about progress			
Q12-Learn and grow	X		

This study supports the strengths based theory. In order to have healthy, engaged and productive organizations, people must be able to identify, understand, develop, and execute on their strengths. This relevance can also be said of the other Q12 issues that had high correlation: Q01, Q08, and Q12. What I think this study does more than anything is strengthen the overall validity of the Gallup research and the findings therein. Q01, as you can see on Table 5, is the top issue for productivity in the Gallup research. Q12 was not represented in the Gallup research findings for having a correlation to either productivity or profitability. I believe we can safely say that this study supports the Q12 issues that Gallup has laid out.

When looking back at the research questions, “What issues drives employee performance?” “How can leaders impact that driving force?” and “How does leadership approach impact performance?” I’ve come up with five driving forces that matched both my research and that of the Gallup Organization.

I've also discovered, that in order to be effective, leaders must approach situations differently depending on the circumstances. This is evident from the overwhelming evidence in the EI research that those leaders using multiple leadership methods or styles had the greatest results. Also, because each Q12 issue is unique and impacts the business unit in different ways (productivity, retention, or production just to name a few), I believe a different leadership method or style is required to properly impact that particular issue. It is irrational to believe a leader can positively impact all Q12 issues using the same leadership method or style for every issue or situation that arises within the business unit. Those leaders who use multiple styles help to create better performance in their people, because they are able to adapt their leadership style to the current environment; thus, allowing them to positively impact performance in multiple situations. Lastly, it is imperative that a leader takes the time to understand their people's strengths, help them develop those strengths, and help individuals utilize those strengths in their daily jobs. Yet, it is even more important for a leader to understand and develop their own strengths and how they can utilize their strengths to be the most effective leader possible. How do we know strengths are so powerful a driving force? Because not only was Q3 (The opportunity to do what I do best everyday) overwhelmingly at the top of the driving forces behind top performance, but also the literature clarifies how people perform from a point of strength, not weakness.

Almost all of the literature and my own research showed that when individuals have the opportunity to do what they do best everyday, they perform at a higher level. I believe this provides two things for leaders to consider. First, what is the best way for you to understand your employee's strengths? And second, how do leadership styles fit

into uncovering, developing, and helping others utilize their strengths. The research shows coaching needs to be an intricate piece in uncovering and developing an individual's strengths. Also, part of this coaching needs to be recognition. Buckingham (2005) notes that, "The most powerful trigger by far is recognition, not money" (p. 77). This is also seen in my own data. Q4 (In the last seven days, I have received recognition or praise for doing good work) had a moderate correlation with performance. Recognition is the trigger that ignites the use of someone's strengths.

Also, how does a leader relate these strengths back to the overall mission? Relating strengths back to the overall mission is important because it brings us back to one of the driving forces, Q8 (The mission or purpose of my company makes me feel my job is important). The ability to relate what an individual already does well back to the central values and vision of the company will ultimately make an individual feel as though they belong. This also ties into a leader's ability to relate what is expected of an individual.

Q1 (I know what is expected of me at work) is another driving force of higher performance. This means a leader is able to communicate the company vision in a way that each individual understands what is expected of him or her if the organization is able to get to that place. This is a good indication that people need to fulfill that intrinsic need of feeling that what they do actually matters. Just as they want to believe that their opinions actually matter.

The final driving force to come out of the Q12 analysis is Q7 (At work, my opinions seem to count). Again, people want to believe that they can contribute, that they are valued and that they provide value to those around them. This requires a democratic

leadership style. The interesting thing is that each of these driving forces requires a different style in order for it to be effective. For instance Q3 (I have the opportunity to do what I do best everyday) requires a coaching style. Whereas, Q8 (The mission and purpose of my company makes me feel my job is important) requires a visionary leadership style. The visionary style also provides clarity with Q1 (I know what is expected of me), because it allows people clarity as to where they are going.

The question going forward is, how and should the Q12 issues, strengths-based development, and HumanSigma converge and synthesize with the Emotional Intelligence Leadership theory and the Situational leadership model. The answer is that EI leadership theory definitely can and should, while the situational leadership model can on some levels, but not on all. Much of this is due to the fact that the research supporting the Emotional Intelligence Leadership theory is much stronger, I believe, and much more focused in its effects on the individual and the environment. Though there needs to be further research as to how these theories might affect the Q12 issues, there are some inferences we can make.

I do believe these two leadership theories can work together. For instance, Situational leadership theory offers a means for evaluating an individual's developmental level, and I believe, the prescriptions provided do correlate and work well with the EI leadership styles. Consider the following situational and EI styles:

Directing—Visionary Style

Coaching—Coaching

Supporting—Affiliative

Delegating—Democratic



Moving forward, I think it would be helpful to have research that studies the impact the resonant leadership styles have on the Q12 issues. As I indicated in the literature review portion of this study, the four resonant leadership styles from the emotional intelligence leadership theory have direct affects on each of the Q12 issues that engage employees and, ultimately, enhance performance. Not only do they affect the Q12 issues, but they also have a direct impact on the six organizational climate indicators, which was indicated in the emotional intelligence research. If you refer to Appendix A, you will see Q3 (At work, I have the opportunity to do what I do best every day) is best affected by using the coaching style, because the emotional intelligence leadership research shows that the coaching style affects climate by creating clarity. Helping the employee identify and utilize their personal strengths creates clarity.

If we go deeper, Q9 (My associates or fellow employees are committed to doing quality work) is impacted most by using a visionary leadership style. The reason visionary style is selected here because it is the visionary style that defines the standards around the vision. For instance, if part of your vision is to provide for all of your customer's financial needs the visionary style sets the standard that it is imperative for each individual to uncover these needs in to meet the vision of the company.

The Q12 issue with the highest correlation is Q03 (At work, I have the opportunity to do what I do best). This seems to support Gallup's strength-based approach. The notion of understanding and doing what an individual innately does best seems to be a relevant approach when it comes to getting strong results as it relates to both productivity and profitability. The existence of Q03 having such a high correlation

seems to indicate the relevance a coaching style might play in helping individuals understand and utilize these strengths.

The results also seem to support the idea that individuals need to feel that their job is an important piece of the organization's overall vision or purpose. This is seen in the high correlation of Q08 (The mission and purpose of my company makes me feel my job is important). This not only seems to illustrate the importance a vision has on the performance of individuals, but also how a visionary leadership style might be important in communicating purpose to individuals. Another Q12 issue with a high correlation is Q12 (In the last year, I have had the opportunity at work to learn and grow). The coaching style of leadership would undoubtedly play a role in attributing to strengthening this Q12 issue.

### *Applying the Research Findings*

How might we apply these research findings to everyday leadership activities in order to create the greatest performance possible? I believe that there is a natural way in which strengths-based leadership Q12 and EI leadership can be synthesized to create a more cohesive framework that impacts both sides of leadership; the issues that cause high performance in individuals and the leadership methods or styles that impact those issues. The model I have created begins with individual strengths, both the leaders and the subordinates. The reason for this is that knowledge and usage of strengths is critical in creating excitement and drive in ones job, and if we remember, Q3 (At work, I have the opportunity to do what I do best every day) was the leading issue that impacted performance. It only seems natural that the knowledge and development of an individual's talents is the best place to start. From this point, we have the Q12 issues.

A leader's ability to impact the Q12 issues on a daily basis is critical to overall team performance. One way to uncover strengths and weaknesses within a business unit, when it comes to the Q12 twelve issues, is to have the business unit take the Q12 survey at least once a year. This allows leaders to better understand what their opportunities are to impact the important Q12 issues that create high performance. From here, we go into how a leader can impact the Q12 issues through leadership method or style.

I have taken the resonant leadership styles and matched them with a Q12 issue (see Appendix A: The Usage Matrix). I have also provided how that resonant leadership model will impact that Q12 issue through the six business climate factors. For instance, if a leader wants to impact Q3 (At work, I have the opportunity to do what I do best every day), they would use the resonant leadership style of coaching (highly positive in impacting clarity; see Table 2 The Impact of Leadership Styles on Drivers of Climate) and coaching impacts Q3 by creating *clarity* for the subordinate by helping the employee identify and utilize their personal strengths.

Let's take this a step further and start with strengths. We will assume that both the leader and the subordinate have Achiever as one of their top five strengths. The Achiever theme describes both the leader's and the subordinate's need to achieve something tangible each day. Imagine a leader has a new sales associate on her team and she wants to help the subordinate become more proficient using the company's sales process. Part of this process includes turning regular customer interactions into sales opportunities by profiling the customers deep enough to uncover new needs; thus, being able to provide the customer with solutions or products for those needs. Because the subordinate took the StrengthFinder survey, the leader knows that Achiever is one of the

their strengths. So, through the coaching style, the leader hopes to develop the subordinates profiling skills through tapping into their natural Achiever talent. This is done through setting goals for the subordinate around the profiling process.

During the coaching interaction, the leader discovers that the reason the subordinate is struggling in their effort to profile customers that come in for service issues is due to a poor transition statement by the subordinate. Because the subordinate does not have a strong transition statement to provide the customer that allows the customer to understand the benefits of spending time answer the profiling questions, the customers are refusing to be profiled. First, the leader helps the subordinate strengthen their transition statement. Then, in order to tap into the Achiever talent within the subordinate, the leader asks the subordinate to set a daily goal around the percentage of profiles he wants to do compared to the number of service customers they see each day. Goals keep the subordinate in tune to their Achiever strength by giving them a way to measure their success.

The subordinate starts off with a goal of 25 percent. Each day the leader observes and follows up with the subordinate and as they hit the goals, the leader challenges them to increase the goals. We see that the coaching style is the correct one in this instance because through the process, the leader not only makes the subordinate aware of how this goal setting helps to develop the skills necessary to be an effective sales associate, but it also helps clarify for the subordinate to identify and utilize their strength to greater performance. As you can see, when properly synthesized, there is a cohesive bond between utilizing strengths, Q12 issues, and resonant leadership styles that results in higher performance.

The emotional intelligent leadership styles can be broken up into two groups; stage setting styles and supporting styles. The stage setting styles tend to set standards or demand compliance. The supporting styles offer assistance to achieving those standards or demands. The reason, I believe this is such an important distinction, is that by constantly using the visionary style, the leader may find that his or her people rate strong in Q8 (The mission or purpose of my company makes me feel my job is important), but they do not know how to utilize their strengths in order to be successful at their job. This means the leader needs to follow up their use of the visionary leadership style with the coaching style, thus, impacting the Q12 issue Q03 (At work, I have the opportunity to do what I do best). In essence, just understanding that your job is important isn't enough, a leader must help unleash the greatness hidden in their people and that is done through the coaching style.

#### Stage Setting Styles

Commanding

Pacesetting

Visionary

#### Supporting Styles

Democratic

Affiliative

Coaching

The styles are grouped in this way due to how they function. For new leaders and leaders who may be unsure as to which leadership style to use at a given moment I have devised a process to assist with this. Inspired by Vroom's decision-making model the

following questions, map, and legend work together to assist the leader in their decision as to which leadership style to use. First, the leader reads the first question on the questionnaire. Then, depending on the answer, the leader moves to the appropriate circle on the style map (located in Appendix B) and ask themselves that question and once answered move forward in the map until a leadership style symbols is reached. When this happens the leader reads the appropriate symbol representing a specific leadership style on the legend.

*Style Selector Questions*

1. Has clear direction been provided for this particular situation?
2. Is the situation considered a crisis and does it need immediate attention?
3. Is the individual(s) who is expected to perform in this situation or affected by this situation competent enough to perform at required standards?
4. Does this situation involve the entire team?
5. Is there a performance gap that needs to be addressed?
6. Is there disagreement among team members or an intra-team relational gap that needs to be addressed?

*Style Selector Tool*

1

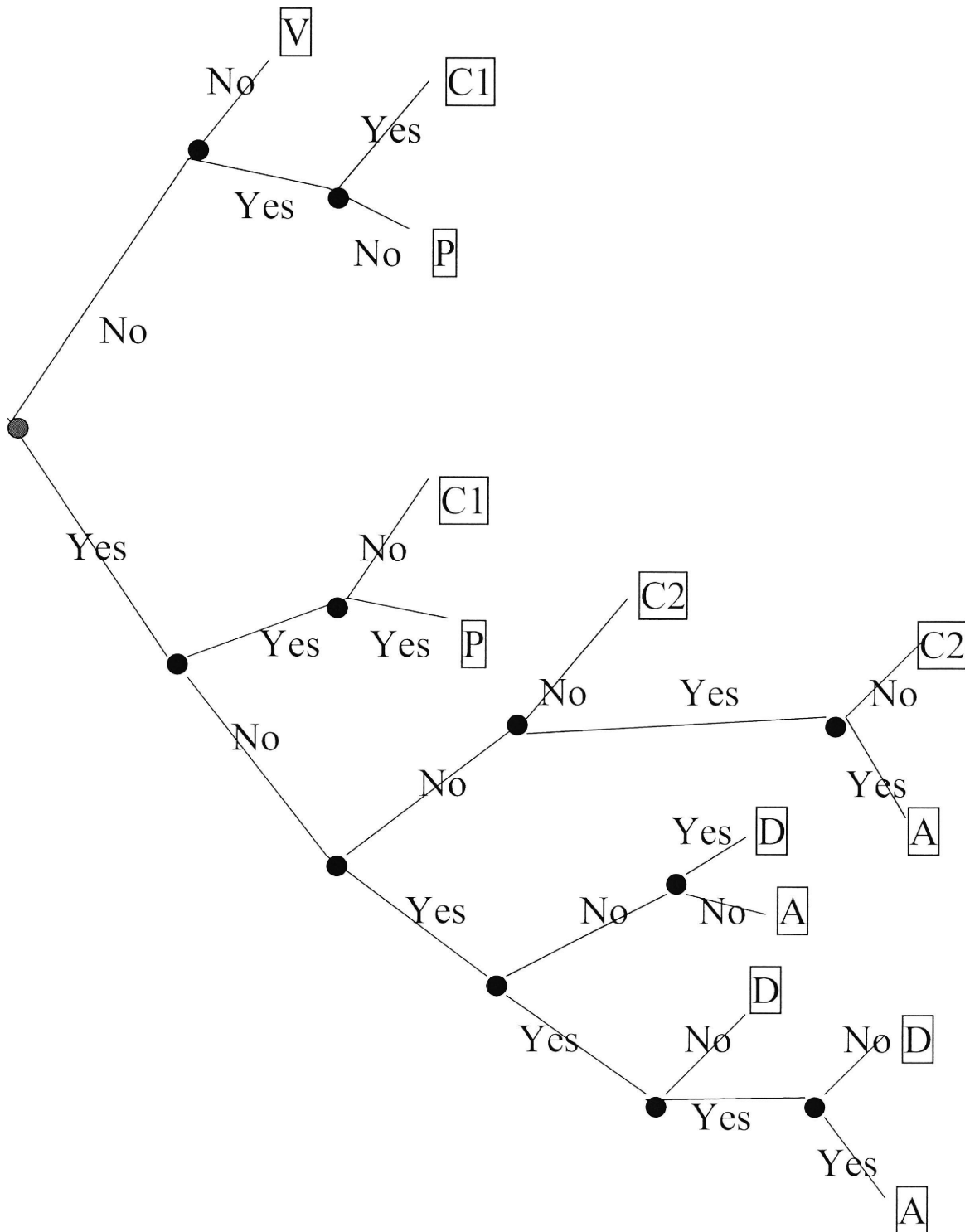
2

3

4

5

6





*Style Selector Legend*

- C1 – Commanding

Responsibility-Creates sense of urgency when needed in a crisis or  
employee's performance is at crucial state

- P – Pacesetting

Should never be used by itself; best if used with visionary or affiliative

Responsibility-Works well when team is competent and  
highly motivated

Flexibility and responsibility-Employees feel leader  
doesn't trust them to work in their own way or to take  
initiative

- V – Visionary

Clarity-Know where you are going

-Know what you need to get there

-Provides clear vision how individual work fits larger vision

-Provides feedback, using criteria of whether or not performance  
furthers the vision

Standards-Defines standards that revolve around vision

- D – Democratic

Responsibility-Creates ownership over goals and how work is done

- A -- Affiliative

Rewards-Provides ample positive feedback

Commitment-Builds a sense of belonging

Flexibility-Creates better sharing of ideas and inspiration through building trust

- C2 – Coaching

If done improperly, could feel like micro-managing

Clarity-Helps employees identify and utilize their personal strengths

Commitment-I believe in you, I'm invested in you, and I expect your best effort

Flexibility-Gives people freedom to innovate, experiment, and take calculated risks

### *Limitations*

There are limits to this study; namely, the study is a small sample size at 33 business units, even though there were over 500 participants. Another drawback for this research was that I was not able to study specific leadership behaviors or styles and how those behaviors affect the Q12 issues. It is for this reason, that I believe the study of such behaviors and styles and impact they have on the Q12 issues would be an excellent place to start new research on this topic. However, even with that said, the research already conducted does seem to hold up on its own merit when it comes to Q12, HumanSigma, and strengths based development. The one weak spot in this study was when it came to the Situational Leadership model.

Situational Leadership does have its place within the leader's repertoire and I think can be a companion to using the EI leadership model. However, the research that I've presented here indicates that this model is best used with those in the beginner to novice level of an activity. Also, the situational model could easily be integrated into the

emotional intelligence model. For instance, when using the visionary style the leader may decide to be directive when addressing Q1 (I know what is expected of me at work) with one individual and delegate with another under the same leadership style. The reason for this is, that even though a leader might use visionary style to set expectation under the visionary leader style, how the leader goes about that might sound different depending on the individual's developmental level with regard to the specific activity or knowledge of expectations.

Through this study the research questions have come to life. For instance, we now have a good indication that what drives employee performance is that the employee know what is expected of them and how to use what they are best at every day in their job. These two things have given us some insight into how leaders can impact that driving force; namely through the use of coaching and visionary styles of leadership. The usage matrix (see Appendix A) shows how the Q12 issues line up with the EI leadership styles and the six business climate measurements. These driving forces can also be impacted by the leader through the HumanSigma model of evaluate, intervene and encourage. The HumansSigma model also offers a way to create the customer experience that builds engaged customers and employees.

In the end, I believe this study supports a strengths-based development approach, which uses a variety of leadership styles for different situations. It is these two things that can impact the most important performance driving force an organization has: its employees and its customers.

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## Appendix A: Style Map

The next page includes a matrix that shows the interrelationships among individual strengths, Q12 leadership behaviors, and leadership styles.









S T R E N G T H S											
Achiever		Activator		Adaptability		Competition		Analytical		Arranger	
Command		Deliberative		Communication		Developer		Discipline		Consistency	
Context		Harmony		Ideation		Learner		Includer		Empathy	
Futuristic		Intelligence		Restorative		Self-Assurance		Maximizer		Individualization	
Input		Responsibility		Communication		Learner		Positivity		Relator	
LEADERSHIP BEHAVIORS											
"What Do I Get?"		"What Do I Give?"				"Do I Belong?"				"Learn And Grow?"	
Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12
I know what is expected of me at work.	I have the material and equipment to do my work right.	At work, I have the opportunity to do what I do best every day.	In the last seven days, I have received recognition or praise for doing good work.	My supervisor, or someone at work, seems to care about me.	There is someone at work that encourages my development.	At work, my opinions seem to count.	The mission or purpose of my company makes me feel my job is important.	My associates or fellow employees are committed to doing quality work.	I have a best friend at work.	In the last six months, someone has talked to me about my progress.	In the last year, I have had opportunities at work to learn and grow.
LEADERSHIP STYLES											
Visionary	Visionary	Coaching	Affiliative	Affiliative	Coaching	Democratic	Visionary	Visionary	Affiliative	Visionary	Coaching
<u>Clarity</u>	<u>Clarity</u>	<u>Clarity</u>	<u>Rewards</u>	<u>Commitment</u>	<u>Commitment</u>	<u>Responsibility</u>	<u>Clarity</u>	<u>Standards</u>	<u>Flexibility</u>	<u>Clarity</u>	<u>Flexibility</u>
Know where you are going	Know what you need to get there	Helps employee identify and utilize their personal strengths	Provides ample positive feedback	Build a sense of belonging	I believe in you, I'm invested in you, and I expect your best effort	Creates ownership over goals and how work is done	Provides clear vision how individual work fits larger vision	Defines standards that revolve around vision	Creates better sharing of ideas and inspiration through building trust	Provides feedback using criteria of whether or not performance furthers the vision	Gives people freedom to innovate, experiment, and take calculated risks

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